



April 13, 2020

Good Afternoon:

I am writing to follow up regarding my email from April 4th soliciting your help to ensure children's hospitals receive a specific set-aside in the next COVID-19 financial relief package.

Last week, the first \$30 billion of the funding included in the CARES Act for hospitals was allocated only to hospitals that serve Medicare. Administrator Verma indicated at a press conference that Medicaid providers, including children's hospitals, will be recipients of the next allocation, but we do not yet have any details about the size of that allocation, how those funds will be distributed, or when.

At the same time, children's hospitals are continuing to undergo significant financial losses every day that the COVID-19 emergency continues, due to the need to cancel elective-surgeries and visits, perform daily screenings of all staff, patients and families, and pay higher rates to purchase personal protective equipment. In addition, children's hospitals, just like their adult counterparts, are incurring higher personnel costs to accommodate the necessary self-quarantines, furloughs and housing needs of their health care providers. Based on early data from March, our eight member-hospitals each estimate that they have lost between 20%-35% in total operating revenue, which means collectively they are losing between \$105 - \$184 million per month. If these losses continue, which we fully expect they will, this will result in a net financial loss of \$685 million - \$1.2 billion over a six-month period, just for our eight children's hospital members.

As you can see from these numbers, regardless of how much of this first \$100 billion ultimately is directed towards children's hospitals, \$100 billion in aid for all hospitals in the country will be nowhere near enough to address the need. Furthermore, unless children's hospitals receive a significant portion of the financial relief made available over the next few months, the Covid-19 pandemic could impose lasting damage to the nation's pediatric specialty care system, forcing many children's hospitals to shutter lines of service, or even close their doors entirely.

Your Representative can help California's children's hospitals in two ways:

1. By ensuring that the next Covid-19 relief package specifically includes \$10 billion for children's hospitals.
2. Signing onto the bipartisan 'Dear Colleague' letter currently being circulated by Rep. Betty McCollum, D-Minn. urging House leadership to include relief specifically for children's hospitals in upcoming COVID-19 relief legislation. Additional original letter signers include Reps. Billy Long, R-Mo., Anna Eshoo, D-Calif., Jaime Herrera Beutler, R-Wash., Diana DeGette, D-Colo., Mark Amodei, R-Nev., and Doris Matsui, D-Calif. The deadline for additional House members to sign on to the letter is noon, Friday, April 17. To sign onto the letter, House offices should fill out [this form](#). A copy of the letter is attached.

Please let me know if you have any questions, and thank you for all the work you are doing to monitor and educate your Representatives about the needs in their communities relating to COVID-19, and for the help you have already provided to our children's hospitals. We are extremely grateful for all you do.

Sincerely,

A handwritten signature in black ink that reads "Mira Morton". The signature is written in a cursive, flowing style.

Mira Morton
Director of Government Relations
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