WEST VIRGINIA HOSPITAL ASSOCIATION

MEDIA CONTACT:
Tina Rymer
(304) 353-9717
trymer@wvha.org

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HOSPTIAL ADVOCACY WEEK KICKS OFF TODAY

Legislators learn about the impacts of and viable solutions to the state hospital funding crisis

(*CHARLESTON, W.Va*.) – The West Virginia Hospital Association (WVHA) is hosting a virtual Hospital Advocacy Week beginning today, March 8. The five-day, event coincides with this year's Legislative Session and will feature a variety of updates, presentations and discussions regarding hospital impacts and challenges in the Mountain State.

"Normally, this would be a Hospital Advocacy Day at the Capitol," WVHA President and CEO Jim Kaufman explained. "But the 2021 Session is very different, and we're taking this opportunity to expand the event to one week and present it virtually."

West Virginia hospitals are a vital source of healthcare, including emergency and lifesaving care. These facilities employ more than 49,000 people statewide. They support nearly $11.6 billion in economic activity for the state.

"We can't have a healthy state economy or healthy communities without healthy hospitals," Kaufman said. "That's our main messaging during Advocacy Week. Hospitals serve as key access points of care for thousands of West Virginians, especially in our many rural areas where healthcare facilities are few and far between. They also provide wellness programs, help fight obesity, play a key role in vaccination distribution and host community programs — all of which are valuable resources for the public."

At the same time, Kaufman said, "West Virginia hospitals are at a tipping point. After a year of a global pandemic that has stretched our medical and healthcare infrastructure to the limit, we must act now so that our hospitals can continue to provide lifesaving care. Our

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lawmakers are taking a hard look at these challenges, and we want to thank them and discuss some important pieces of legislation that we believe will help."

More and more hospitals are being forced to make difficult decisions —possibly cutting staff or programs to save money. While these problems have been building long before COVID-19, the pandemic has pushed them to a critical level. Increased costs and lost revenue due to the pandemic is projected to top $400 million from March 2020 to March 2021. Recently and during the COVID-19 pandemic, four hospitals closed and two filed for bankruptcy.

Closures are not the only risk. Vital programs are at risk of being cut or curtailed. If a hospital cannot afford to continue services like stroke care, labs and specialty tests or certain surgeries, West Virginians can end up hours away from the care they need.

The problem comes from chronic underpayment by government programs. While commercial insurers negotiate rates with hospitals, government programs — such as Medicare, Medicaid, and Public Employee Insurance Agency (PEIA) — do not.

Government programs frequently do not pay enough to fully compensate hospitals for their services. "To put it in the simplest terms, if it costs a hospital $1,000 to perform a procedure, government insurance might only pay $750 or $500 — pressing hospitals to cost-shift to employer plans," Kaufman explained.

These government programs also account for a staggering 75% of hospital utilization in West Virginia. That means that 3 out of every 4 patients in hospitals are covered by programs that are paying less than their services cost. Any business operating with these margins would be forced to re-examine its services.

"If this trend continues, our hospitals will not be able to continue providing access to quality healthcare to all West Virginians," Kaufman said. "The solution is going to be complex and multifaceted, and we want to work with state legislators to begin crafting that solution.

"West Virginia's leaders are focused on recruiting people to the Mountain State — with a goal of half a million new residents," he said. "We will never reach that goal without strong hospitals. They are the cornerstones of our communities. We must help them survive so that our communities can thrive."

ABOUT WVHA
The West Virginia Hospital Association (WVHA) is a not-for-profit statewide organization representing 59 hospitals and health systems across the continuum of care. The WVHA was founded in 1925 to serve as the collective voice of the state's hospital community. Today, the mission of the WVHA is to support its members in achieving a strong, healthy West Virginia. Members of the Association envision a strong healthcare system that supports optimizing the health status of West Virginians served by hospitals and improving the economic condition of the state. To keep up with us, visit our [website](#), [Facebook](#), [Twitter](#) and [YouTube](#) social channels.

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