Advocacy Efforts for Children’s Hospitals’ COVID-19 Relief Funding
Talking Points

Current Situation
Mitigating the financial impact of the COVID-19 pandemic on children’s hospitals and the pediatric health care system is critical for our nation’s children.

- Children’s hospitals have taken equivalent financial damage as hospitals serving adults due to our COVID-19 response.
- YTD 2020 damages have exceeded $5 billion and children’s hospitals are projected to experience similar levels of losses through at least the end of year.
- Protecting children’s health care requires supporting children’s hospitals and avoiding policy changes destabilizing the pediatric health care infrastructure.

Ask of Congress

Congressional delegation/champion talking points: Protecting children’s health care during the pandemic requires supporting pediatric providers and avoiding policies destabilizing the pediatric health care infrastructure.

We need our congressional champions to:

1. Provide relief in the next COVID-19 package to help mitigate upwards of $10 billion in damages to children’s hospitals. The pandemic has created catastrophic financial damages on children’s hospitals. Since mid-March, children’s hospitals have sustained approximately $5 billion in revenue losses. We anticipate a similar level of losses over the remainder of 2020. Congress must make certain children’s hospitals receive proportional support through this package.

2. Stabilize pediatric health care resources. Children’s hospitals are major Medicaid providers, with nearly 60% of our patients reliant on Medicaid and nearly 40 million children enrolled in the program nationally. Congress must assist states in stabilizing the program while ensuring continued funding to providers and maintaining children’s access to needed care.
   - Block implementation of the Medicaid Fiscal Accountability Regulation (MFAR)
   - Enact MACPAC recommendation on Medicaid DSH third-party payments
   - Defer additional Medicaid DSH cuts scheduled to take effect in December 2020
   - Increase the federal Medicaid match to states to at least 12%

3. Support $250 million for CHGME. The HEALS Act proposes $250 million in supplemental funding for the Children's Hospitals Graduate Medical Education (CHGME) program. These additional funds will
strengthen the pediatric workforce, which is essential to our ability to provide access to care for children and families, and are a first step to addressing the sustainability of the program in the long term.

The future of the pediatric workforce pipeline is at risk, especially today as the nation’s children’s hospitals suffer huge financial damages. CHGME has been funded at half of the level provided by the GME program on a per-resident level, and as a result, every CHGME training slot represents added financial stress on children’s hospitals. The funds used to close this training gap are provided by patient care revenue, and these are under continued distress due to current events and the long-term pressure on Medicaid and supplemental payments to children’s hospitals.