

Hospitals Are Hurting



Hospitals have always struggled with some tough economic realities. But America's economic crisis has hit hospitals unusually hard:

- 53% of hospitals are cutting or considering cutting staff.
- 27% are cutting or considering cutting services.
- Uncompensated care is up 8%.
- More than 50% of hospitals are postponing or reconsidering hospital-improvement projects, the acquisition of critical equipment and investments in new information technology.
- The federal government continues to pay less than the cost of providing services to Medicare and Medicaid patients.

These are alarming numbers since community hospitals directly employ more than five million people, and hospitals support one in ten of all American private sector jobs.

Plus, hospitals are the single largest employer in most rural communities, and in 2007 45% of all new private sector jobs were created in the health care sector.

Hospitals need help to ensure they can continue to deliver top-quality care. Here are several steps Congress can take now — through the economic recovery package — to invest in hospitals and the people who rely on them. Because if hospitals suffer, we all suffer.

- Provide health coverage to the unemployed.
- Invest in health information technology to improve patient care.
- Ensure access to hospital capital financing to modernize and upgrade facilities and provide cutting-edge technology.
- Provide financial operating relief for struggling hospitals.
- Overturn regulations that are nothing more than backdoor budget cuts, such as reducing Medicare capital indirect medical education payments, cutting \$1.3 billion to teaching hospitals, and cutting Medicaid payments for outpatient services — potentially denying needed care to America's most vulnerable patients.
- Address the shortage of registered nurses by increasing the domestic supply of nurse faculty, and by establishing nurse retention demonstration grant programs to help create a career ladder path to become an RN.
- Assist states in supporting Medicaid.

Congress:

**Please include these initiatives in the economic recovery package.
Because hospitals are hurting.**



**American Hospital
Association**

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