

Advancing Health in America

## CARES Act Relief Funds Have Helped Hospitals and Health Systems, but Are Just a Fraction of Losses

The AHA estimates that U.S. hospitals and health systems will lose \$120.5 billion between July and December 2020 due to reductions in patient volumes coming to baseline levels over the next 12 months. These losses are in addition to the \$202.6 billion in financial impact the AHA estimated for hospitals between March and June 2020, bringing total loses for this calendar year to at least \$323.1 billion, not including the impact of currently increasing COVID-19 case rates. If these surge trends continue, the financial impact on hospitals and health systems could be even more significant.

Congress and the Trump Administration have worked to provide relief funds to hospitals and health systems in an effort to mitigate these financial losses. The government has allocated a total of \$175 billion in relief funds to all providers, of which \$124 billion has been disbursed to date. Of that money, \$70 billion has gone to hospitals. These relief funds only cover a small portion of the at least \$323.1 billion in losses hospitals will experience in 2020.



Sources: https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/general-information/index.html; https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/data/index.html; AHA estimates using Medicare Cost Reports, CMS Provider Specific Files, Provider of Services Files, and other public use files. The \$70B figure includes payments that hospitals and health systems received, or expect to receive, from the general distribution, and the targeted allocations to providers in high impact areas, rural providers, skilled nursing facilities, tribal hospitals, clinics and urban health centers, and safety-net providers. Does not include the HHS-announced Phase 3 General Distribution of \$20B.

\*The \$175B in total relief funds available come from \$100 billion allocated through the CARES Act and an additional \$75 billion from the Paycheck Protection Program and Health Care Enhancement Act.

\*\*All providers include hospitals as well as physicians and other practitioners, pharmacies, clinics, laboratories, testing and imaging facilities, etc.

## The AHA urges Congress to make available more funding to support our nation's hospitals and health systems and preserve access to care for communities across America.

