

HOSPITALS FACE FINANCIAL CHALLENGES DUE TO COVID-19

UR Medicine Thompson Health | Canandaigua, N.Y.

On March 22, New York had 15 times more COVID-19 cases than any other state. Gov. Andrew Cuomo ordered the cancellation of all so-called elective surgeries in the state as the number of COVID-19 cases continued to rise.

“We just shut everything down,” said Michael F. Stapleton Jr., president and CEO of UR Medicine Thompson Health, a nonprofit health care system, which provides care for 165,000 residents of Upstate New York’s greater Finger Lakes area and is the largest employer in Ontario County. “There were no more surgeries, no more diagnostic procedures. And that was a huge impact to us because 80% of all our revenue comes from outpatients; only 20% is driven by the inpatients. To put that in perspective, we have about 5,800 admissions a year and take care of 4,000 outpatients a week. When the outpatient visits were canceled, the ramifications were astronomical. However, we continued our COVID-19 response. We did everything we were supposed to do.”

Three months ago, no one knew what to expect when the first COVID-19 patient arrived. “I didn’t know if my people were going to die because of this. I’m a nurse. I was down there with them. I wasn’t going to let them be by themselves. We have 1,800 associates here and not one person has said, ‘I’m not doing that. I’m not taking care of that patient. I’m not going to that department. I’m not screening,’” says Stapleton.

Of the 215 COVID-19-positive patients in Ontario County, Thompson Health cared for 46. All 25 deaths were from two nursing homes. Although Ontario County did not have a great number of COVID-19 patients, surge plans needed to be put in place. At the beginning, Thompson Health didn’t furlough or lay off any workers because all pre- and post-anesthesia beds were going to be inpatient beds, and operating room nurses who were not seeing cases were transitioning to the emergency department (ED), intensive care unit (ICU) or medical-surgical unit to help in the surge plans.

Front-line staff at Thompson Health stepped up to the COVID-19 challenges, but “when you can’t even give

a cost-of-living increase to a nurse who three months ago wondered if she was going to transmit the virus to her kids, her husband or die, it’s horrible,” Stapleton says. Congress could help by providing support for child care, housing, transportation and education benefits for hospital workers; bonus pay for hospital workers; and a compensation fund for COVID-19 health care workers and their families.

During preparations for the COVID-19 surge, patients were still coming in through the ED. “Our normal ED volume is 90 patients a day” Stapleton says. “We were still seeing 45 patients a day in our ED, but we were admitting more than 50% of those who presented. The patients who came in were incredibly sick.”

The losses for Thompson Health are insurmountable and, when payments from the CARES Act were distributed, Thompson Health fell through the cracks. “Our first projection was a \$17 million loss through the year end,” Stapleton says. “We lost half of March, all of April and half of May. The hospital has received only \$3.1 million from the CARES Act tranche payments.”

These steep revenue losses have triggered staff furloughs even as the system needs to increase staffing to treat patients with chronic illnesses who stayed home and got sicker due to COVID-19 fears. “Before, I needed all those people for the surge response; now I need the extra people as reentry, because I’ve got two people at every entrance screening temperatures and asking all the necessary questions. That’s seven day a week, at least 12 hours a day at two entrances, and one of them is 24/7 because it’s the ED,” says Stapleton.

Congress should provide additional funding to support hospitals and health systems in the next COVID-19 relief package. “We are begging for more assistance and more help because we can’t keep moving forward,” says Stapleton, who said he may have to lay off 200 more people if the hospital does not get additional funds.