



FOR IMMEDIATE RELEASE

Contact: Dave Northfield (503) 329-1989 dnorthfield@oahhs.org

STATEMENT ON OREGON HOSPITAL FINANCES

Lake Oswego, Ore. – May 13, 2021 – Becky Hultberg, President and CEO of the Oregon Association of Hospitals and Health Systems (OAHHS), released the following statement in response to the OHA statement on hospital margins:

“Oregon’s hospitals and health systems have been there for Oregonians during the pandemic while facing their greatest financial crisis. Because of that, in a time of great uncertainty, Oregonians could feel safe and confident during a once in a lifetime pandemic. Many hospitals, especially those in rural parts of the state, were pushed to the financial brink in 2020 by revenue losses from cancelled non-urgent procedures and increased costs for PPE, staffing shortages and challenges, bed capacity challenges, and caring for COVID patients.

These costs are reflected in figures for operating margins, which offer a more accurate look at hospital finances. Operating margins have been propped up by last year’s infusion of CARES Act funds. Without that infusion, the median operating margin in 2020 was -2.1 percent. One in three hospitals in Oregon lost money in 2020. Last year Oregon’s hospitals did not come close to covering their total operating expenses. In 2020, net patient revenue was 6.5 percent lower than total operating expenses.

Congress moved quickly to make sure hospitals would not experience disruptions during the pandemic that would put community health at further risk. That was the right thing to do.

While vaccines have given us hope, the pandemic is not over. Just two weeks ago rising hospitalizations triggered new restrictions in 15 Oregon counties. It’s in everyone’s interest to keep hospitals stable and strong, so that Oregonians can have peace of mind knowing their local hospital is open and ready to care for them.”

###

About OAHHS: *Founded in 1934, OAHHS is a statewide, nonprofit trade association that works closely with local and national government leaders, business and citizen coalitions, and other professional health care organizations to enhance and promote community health and to continue improving Oregon’s innovative health care delivery system.*

