

FOR IMMEDIATE RELEASE: Mon., March 29, 2021 CONTACT: Aly Coleman, <u>aly@on3pr.com</u>, 850.391.5040

STATEMENT: Florida Association of Children's Hospitals Response to Proposed Healthcare Budget Cuts

TALLAHASSEE, Fla. – The following statement is to be attributed to Florida Association of Children's Hospitals (FACH) Executive Director Dana Ferrell in response to the proposed healthcare budget cuts in the House and the Senate.

"Both the Florida House and Florida Senate have released budget proposals that result in a significant base rate reduction to hospitals, as well as significant cuts from the elimination of the Critical Care Funds for hospitals. While both the House and the Senate have provided protections from some of these cuts to several specialty-licensed children's hospitals, the majority of children's hospitals that exist within larger health systems will face substantial and disproportionately large reductions in inpatient and outpatient funding.

"Of the total cuts to children's health care, these children's hospitals are targeted to bear over half of the cuts in both Senate and House budget proposals. More than 80 percent of the reductions in Critical Care Funding fall on the backs of 76 percent of Florida's children's hospitals.

"During the pandemic, children's hospitals experienced significant revenue losses as elective procedures were canceled or delayed and costs associated with changes in care using telehealth increased. Although fewer children were provided care in the children's hospitals during the pandemic, children's hospitals supported adult hospitals to help offset the impact of COVID.

"We are concerned that the proposed cuts could permanently damage the pediatric safety net that has been built over decades of dedicated work, resulting in future poor health outcomes for millions of children and families to greater health risks and reducing children's prospects for thriving futures.

"We understand that new state revenue estimates and additional federal aid may allow for the eventual restoration of funds. However, we urge lawmakers to recognize that there are both specialty-licensed (free-standing) and children's hospitals within larger health systems in Florida, and all provide the specialty care that *only* children's hospitals can provide.

"When budget decisions disproportionately affect a subset of the children's hospitals, the adverse impact will be felt across the state. We are committed to serving children to give them second chances and new beginnings, but cannot do this without adequate resources and an appropriate level of support."

About the Florida Association of Children's Hospitals (FACH)

The 15 members of the Florida Association of Children's Hospitals (FACH) provide the most specialized level of care to children, research cures for diseases that affect children and train Florida's pediatricians, pediatric specialists and pediatric nurses. Since 1999, they have been the voice for children's health care issues in Florida through advocacy, education, research and patient care initiatives. For additional information, please visit: <u>http://www.flchildrenshospitals.org/</u>.

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