



# PANDEMIC RECOVERY OFFICE

## Health Care Facilities: Nonprofit Hospital Assistance

### Submitted by State of Rhode Island Pandemic Recovery Office

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<https://pandemicrecovery.ri.gov>

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## **Health Care Facilities: Nonprofit Hospital Assistance**

Project Identification Number: 10030

Pandemic Recovery Office Approval Date: September 19, 2022

Project Completion Date: September 30, 2023

Funding Amount: \$40,484,887<sup>1</sup>

Project Expenditure Category: 2.34 Negative Economic Impacts: Assistance to Impacted Nonprofit Organizations

Problem Statement: The waves of COVID-19 variants stressed the already-limited financial and staffing resources of the state's 10 nonprofit hospitals, which incurred operating losses of \$13 million in federal Fiscal Year (FFY) 2019, the last pre-pandemic federal fiscal year. The 10 nonprofit hospitals are:

- Butler Hospital
- Emma Pendleton Bradley Hospital
- Kent County Memorial Hospital
- Landmark Medical Center
- Miriam Hospital
- Newport Hospital
- Rhode Island Hospital
- South County Hospital
- Westerly Hospital
- Women and Infants Hospital of Rhode Island

Through June 30, 2022, the nonprofit hospitals reported operating losses of \$107 million for FFY 2022 (October 1, 2021 – September 30, 2022). The increased losses reflect pandemic-induced temporary contract staffing, the implementation of COVID-19 protocols, purchase of personal protective equipment, delay of elective surgeries, and other pandemic-related activities.

Project Overview: To alleviate the financial hardship of the pandemic, the Rhode Island Department of Administration (DOA) distributed grants to each nonprofit hospital in accordance with a formula provided by the Rhode Island General Assembly. Each nonprofit hospital received a base \$1 million payment in addition to a pro rata share of the remaining total appropriation of \$45 million based on the hospitals' operating costs from their 2021 Medicare cost reports relative to the aggregate operating costs of all hospitals – both nonprofit and for profit – from all 2021 Medicare cost reports.

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<sup>1</sup> The total appropriation for the State Fiscal Recovery Fund Health Care Facilities Hospital Assistance project was \$45 million. This figure is the amount of the \$45 million appropriation that was allocated to the state's 10 non-profit hospitals.

Financial Overview: All program payments can be found on the [Pandemic Recovery Office’s website](#) by filtering the “Project” box for “Health Care Facilities: Nonprofit Hospital Assistance.” The table below shows planned expenditures by fiscal quarter and actual expenditures by fiscal quarter:

<b>Fiscal Year Quarter</b>	<b>Planned Expenditures</b>	<b>Actual Expenditures</b>
FY 2023 Q1	\$40,484,887	\$40,472,743
FY 2023 Q2	-	-
FY 2023 Q3	-	\$12,144
<b>Total</b>	<b>\$40,484,887</b>	<b>\$40,484,887</b>
<p><i>Note:</i> A single audit fee applies to all State Fiscal Recovery Fund projects and accounts for \$12,144 of the funds shown in the above table.</p> <p>The figure above is only the share of the total \$45 million appropriation for all hospitals, both non-profit and for-profit, that was allocated to non-profit hospitals.</p>		

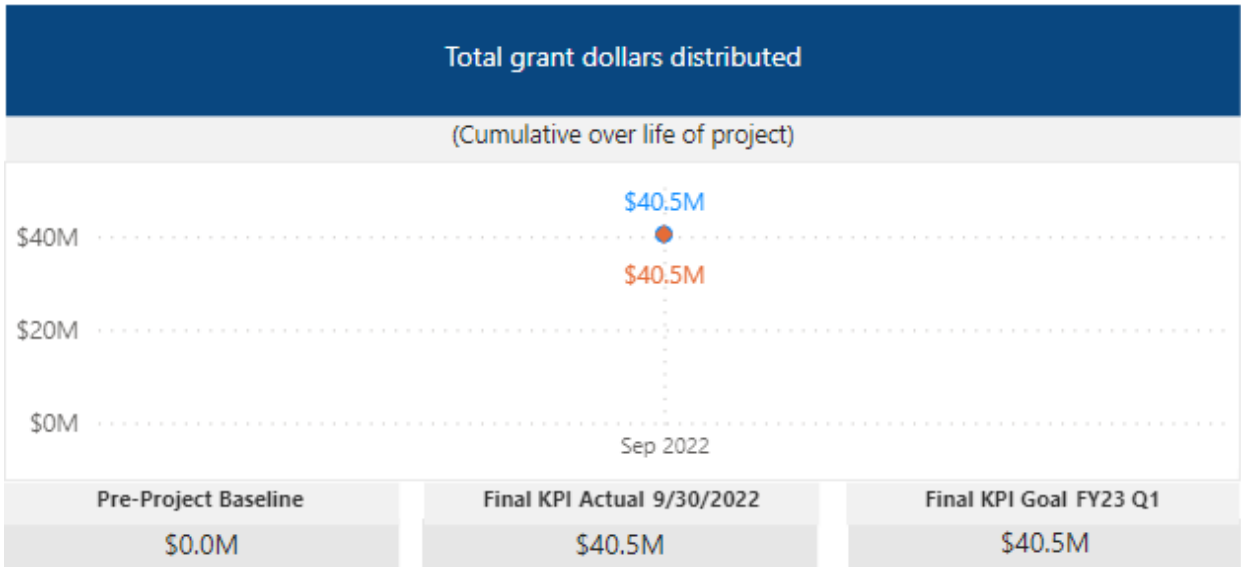
Key Performance Indicators: The following are the key performance indicators based on quarterly goals and monthly data collections.

**Legend:**      ● Actual KPI Value Reported      ◆ Quarterly Goals

**1. Number of nonprofits served**

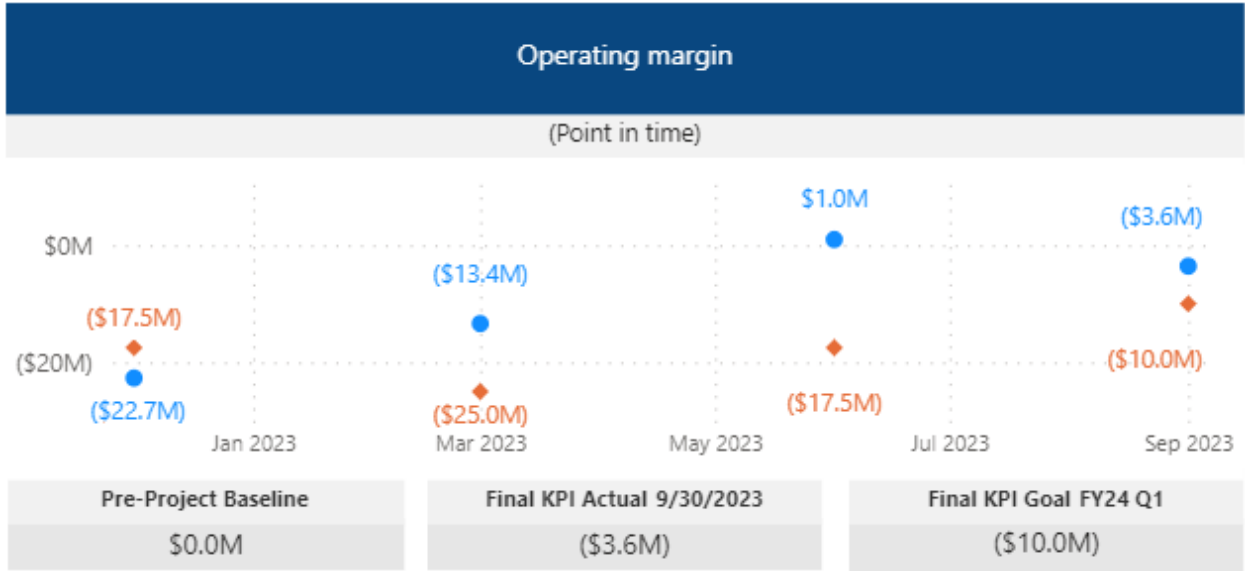


**2. Total grant dollars distributed**





### 3. Operating margin



Auxiliary Information: The map below shows the distribution of grant payments.

Nonprofit Hospital Assistance by Municipality



Payee	Municipality	Sum of Amount
NEWPORT HOSPITAL	NEWPORT	\$1,955,146.82
BUTLER HOSPITAL	PROVIDENCE	\$1,926,537.93
EMMA PENDLETON BRADLEY HOSPITAL	PROVIDENCE	\$1,677,599.94
MIRIAM HOSPITAL	PROVIDENCE	\$5,192,831.86
RHODE ISLAND HOSPITAL	PROVIDENCE	\$14,075,265.21
WOMEN AND INFANTS HOSPITAL OF RHODE ISLAND	PROVIDENCE	\$4,857,780.47
SOUTH COUNTY HOSPITAL	SOUTH KINGSTOWN	\$2,685,877.56
KENT COUNTY MEMORIAL HOSPITAL	WARWICK	\$4,216,828.62
WESTERLY HOSPITAL	WESTERLY	\$1,892,848.94
LANDMARK MEDICAL CENTER	WOONSOCKET	\$1,992,025.73
<b>Total</b>		<b>\$40,472,743.08</b>