



Press Release

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For Immediate Release

**Heading:** Hospital bracing for COVID-19 surge faces funding shortfall causing unprecedented financial strain

**Subheading:** Healdsburg District Hospital implements temporary furlough in order to allocate resources to essential services

**Healdsburg, CA** – Healdsburg District Hospital is one of many health care providers across the nation faced with the challenge of expediting changes in protocols, supplies and equipment to prepare for the COVID-19 crisis, while simultaneously managing the unprecedented financial impact brought on by the pandemic.

Over the past several weeks, the leadership and staff of the Healdsburg District Hospital have worked tirelessly planning and preparing for the predicted COVID-19 surge in an effort to ensure that patients have access to care, and that providers are not at risk of exposure. In conjunction with this increased activity, they have experienced a sharp decline in the regular services that make up the financial bedrock of the organization. Like many other hospitals, they made the responsible decision to pause elective surgeries which has resulted in hundreds of thousands of dollars in lost revenue. Also impacting the hospital's viability is the increased number of canceled appointments in departments including Primary Care, Physical Therapy, Wound Care, Gynecology, and Cardiac Specialty Services which have all experienced marked reductions in the number of patients they are treating. Patients are cancelling appointments out of a fear of contracting the virus and are opting to postpone services and care.

"The leadership of North Sonoma County Healthcare District and the Healdsburg District Hospital has been tasked with vetting all available resources, both locally and federally, to fill the shortfall in our funding. The extreme economic instability created by this pandemic has resulted in a budget deficit of around of two million dollars each month. Due to this, leadership has had to make the difficult decision to activate a workforce and expense reduction plan in order to keep our lights on and doors open," said the hospital's CEO, Joe Harrington.

The plan is necessary to preserve the hospital's essential departments including Emergency, Sub-Acute, ICU, and Primary Care. A temporary furlough was initiated for several dozen employees and a temporary closure was placed on the Cloverdale and Sebastopol clinics. Addition changes include a hold on accepting new patients at the Wound Care and Hyperbaric clinic; relocating Dr. Bollinger's patient appointments from Sebastopol to Healdsburg Physician Group (HPG) or the hospital outpatient location and opening a new lab at HPG available on Tuesdays and Thursdays by appointment only.

The furlough is a period of time where they are pausing employment for select workers while continuing to provide uninterrupted healthcare insurance. For those employees, the furlough will be lifted and regular work hours will resume once activity increases.

"With the leadership of the Board of Directors and CEO, Joe Harrington, Healdsburg District Hospital



is poised to face the challenges of the current pandemic and the economic consequences in the next 12 months” said Richard Baland, Interim CFO.

A handful of contracted specialists, some of whom require up to 120 days notifications, were given their termination letters. This was done in order to start the process of winding down these contracts, and to use the time to review the current financial situation, make predictions on future revenue, and to discuss ways the specialists can continue providing services while also achieving financial solvency.

In addition to these reductions of staff and services, hospital leadership has tasked Dr. Tito, Chief of Surgery, to create a task force to examine the possibility of performing necessary surgeries. The goal of reopening the operating room would be to care for patients who are in need of surgery, while at the same time generating revenue. The task force has also proposed a policy to set specific criteria for evaluating the operability of surgery cases currently backlogged. This policy will allow the Surgical Review Committee to consider each case using the finalized set of criteria to make their Go/No-Go decision. In addition, a list of truly emergency cases that need immediate attention will be developed that do not require prior approval by the review committee.

Hospital leadership will meet weekly to evaluate the evolving situation with the goal of lifting the furlough and reopening their clinics as soon as possible.

“While we are one of many hospitals across the nation being forced to make these extremely difficult decisions, we are dedicated to navigating our way through this crisis with keeping as many services available for our district as possible,” said Board Chair, Erin Gore.

The hospital is accepting donations to be used for operations, equipment and supplies. Those looking to donate can go to [www.healdsburghhospital.org/donate](http://www.healdsburghhospital.org/donate) to find out more.

Visit the Healdsburg District Hospital website at [www.healdsburghhospital.org](http://www.healdsburghhospital.org) and their Facebook page [www.facebook.com/healdsburgdistricthospital](https://www.facebook.com/healdsburgdistricthospital) to find current information about the hospital and COVID-19.

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