

## Investment Needed in South Carolina's Children's Hospitals - Safety Net Providers for South Carolina's Children

## January, 2020

About South Carolina's Children's Hospitals	<ul> <li>There are four children's hospitals in South Carolina:         <ul> <li>Shawn Jenkins Children's Hospital (MUSC),</li> <li>Prisma Health Children's Hospital-Upstate,</li> <li>Prisma Health Children's Hospital-Midlands, and</li> <li>McLeod Children's Hospital.</li> </ul> </li> <li>All four children's hospitals:         <ul> <li>Are non-profit systems providing care to children regardless of family income</li> <li>Serve as the regional perinatal center for low birthweight infants.</li> <li>Provide comprehensive pediatric inpatient and outpatient specialty services</li> <li>Serve as primary training sites for publicly supported medical schools.</li> <li>Collaborate on the development of pediatric telehealth services</li> </ul> </li> <li>Since 1994, all four children's hospitals have worked together to improve the quality of care, access to care, and to avoid duplication of services through the SC Children's Hospital Collaborative. (SCCHC)</li> </ul>
SC's Children's Hospitals Are Regional Systems of Care for All Children - particularly those with medical complexity.	<ul> <li>SC's children's hospitals are regional, comprehensive healthcare systems providing inpatient and outpatient services to children.</li> <li>We care for premature infants, critically ill children fighting diseases such as leukemia, and for children with chronic illnesses such as sickle cell or diabetes.</li> <li>Children with medical complexity in general require coordinated services from multiple pediatric specialists - a level of care not found outside of a children's hospital's healthcare system.</li> <li>Our regional presence keeps care family-centered and as close to home as possible.</li> </ul>
Medicaid Funds 60%+ of Services at SC's Children's Hospitals	<ul> <li>The SC Medicaid program provides health insurance almost 60% of children in the state. Children are eligible for Medicaid because of family income or disability/medical complexity.</li> <li>South Carolina's children's hospitals average payor mix by service line:         <ul> <li>Neonatal Intensive Care Units:</li> <li>MUSC &amp; Prisma - 70% Medicaid, 88% at McLeod</li> <li>Pediatric Intensive Care Units:</li> <li>MUSC &amp; Prisma - 67% Medicaid, 88% at McLeod</li> <li>Inpatient discharges:</li> <li>MUSC &amp; Prisma - 63% Medicaid, 69% at McLeod</li> </ul> </li> </ul>
Medicaid Reimbursement is Inadequate to Cover Costs and Fund Technology/ Infrastructure Needs	<ul> <li>Medicaid pays less than Medicare and the reimbursement received for services does not cover the cost of care.</li> <li>With 60%+ of funding coming from Medicaid, the children's hospitals, even with support funding from philanthropy or parent systems, have significant difficulty in obtaining funding to support technology and infrastructure needs.</li> </ul>

A Sampling of SC's Children's Hospital Current Infrastructure Needs	<ul> <li>Neonatal intensive care unit updates and renovations to expand access to care and address infection control needs. (excludes new MUSC CH)</li> <li>Behavioral health "safe rooms" for emergency departments and funding to develop crisis stabilization behavioral health services and units for children and adolescents</li> <li>Pediatric intensive care unit updates and renovations to address increased technology and infection control needs. (excludes new MUSC CH)</li> <li>Replace or upgrade aging transport systems for children - ambulance and/or helicopter.</li> <li>Offset unfunded costs of maintaining each regional perinatal center. (DHEC partially funds)</li> </ul>
Funding for Technology & Infrastructure Request	<ul> <li>Without a continuing investment in technology and infrastructure, SC's children's hospitals will be unable to continue providing tertiary, state-of-the-art care to the children in South Carolina.</li> <li>The children's hospitals are requesting the following funding to address infrastructure and preserve our children's access to care in South Carolina:         <ul> <li>\$10 million in funding per year for three years</li> <li>\$8 million in funding per year thereafter</li> </ul> </li> </ul>
For more information, contact:	Ms. Maggie Cash, Executive Director South Carolina Children's Hospital Collaborative  Ted Riley Riley, Pope, & Laney

www.scchildrenshospitals.org

