



501 E. Locust St. P.O. Box 1009 Lone Pine, CA 93545
Phone: 760-876-5501 Fax: 760-264-4292

Medi-Cal Revenue Overview:

Approximately 31% of SIHD's gross patient service revenue is currently generated from Medi-Cal patients. In addition to this, SIHD receives supplemental funding through state-administered programs such as the Voluntary Rate Range Program and the District Hospital Directed Payment Program. These programs have contributed around \$4 million in supplemental revenue this fiscal year and represent approximately 20% of SIHD's net patient service revenue. The proposed federal Medicaid cuts would significantly reduce funding for various reimbursement programs, effectively shifting the financial responsibility to individual states to maintain or replace these programs using their own budgets.

Potential Changes to Supplemental Funding:

The District Hospital Leadership Forum of California has indicated that the current federal budget proposal could reduce supplemental payments by up to 30%. While this is a significant potential change, it is important to note that the proposal is still under review and has not been finalized. SIHD is closely monitoring developments and will continue to advocate for the needs of our community.

Skilled Nursing Facility (SNF) Medi-Cal Support:

We have a census of 26
16 residents with Anthem Blue Cross/Medi-Cal
9 residents with Health Net/Medi-Cal
1 resident is self-pay.

Planning for the Future:

While the proposed changes are still uncertain, SIHD is proactively evaluating potential impacts and developing contingency plans. If reductions in supplemental funding were to occur, we would need to carefully assess our operations, including service offerings and staffing levels. We are also exploring alternative care models, which could offer a different reimbursement structure while continuing to serve our community's needs.

We understand that news like this can raise concerns. Please know that SIHD's leadership is committed to transparency and to making thoughtful, strategic decisions that prioritize patient care and staff well-being. We will continue to keep you informed as more information becomes available.