SINCE THE FIRST DIAGNOSIS, MISSOURI HOSPITALS HAVE BEEN ON THE FRONT LINES OF THE COVID-19 PANDEMIC

August 5, 2020 Update

HOSPITALS ON THE FRONT LINES

MISSOURI HOSPITAL ASSOCIATION

PROTECTING THE COMMUNITY

Suspension of hospital elective procedures to prevent infection and save PPE

Projected Volume Reductions From Prior Year

<table>
<thead>
<tr>
<th>Change in Inpatient Admissions</th>
<th>Change in Outpatient Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter 2</td>
<td>Quarter 3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>35%</td>
</tr>
</tbody>
</table>

Off-site Testing Sites
Many Missouri hospitals set up off-site testing sites for their communities, providing a safe and efficient mechanism to monitor the incidence of infection.

Expanded Use of Telemedicine
90% of hospitals implementing federal or state regulatory waivers did so to expand telemedicine capacity.

LESSONS LEARNED

Two biggest barriers to hospital care of COVID-19 patients:

1. Personal protective equipment supply
2. Rate at which guidance changed

Establishing community testing sites
Amassing needed supplies, such as ventilators and personal protective equipment
Activating more than 1,000 new ICU beds
Retraining staff
Reconfiguring operations

INFORMING THE COMMUNITY

Missouri hospitals collaborated to create daily dashboards to track the virus, and community capacity and supply needs.

Later, hospitals shifted to more detailed regional dashboards. These dashboards provided the data needed to assess when and where the reopening process could occur.

Weekly Regional Dashboards

- Kansas City Region
- St. Louis Region
- Northeast Region
- Northwest Region
- Central Region
- Southeast Region
- Southwest Region

Source: Missouri Hospital Association
EMResource Query - March 1, 2020 - April 9, 2020

Missouri hospitals established alternate COVID-19 testing locations off-site.

55

Two biggest barriers to hospital care of COVID-19 patients:

1. Personal protective equipment supply
2. Rate at which guidance changed

Source: Missouri Hospital Association
EMResource Query - March 1, 2020 - April 9, 2020

August 3, 2020 Update

1 MHA member survey July 26, 2020
2 MHA member survey May 1, 2020
FULL PARTNERSHIP WITH GOVERNMENT

Several hundred waivers of federal and state regulatory standards were requested and authorized to streamline operations.

Intensive hospital collaboration with state and federal officials on PPE, testing, alternative care sites and alignment of needs and responses

Hospital Financial Challenges

FEDERAL RELIEF HELPS BUT CANNOT KEEP UP WITH REVENUE LOSSES

The chart below illustrates the effect of projected revenue reductions of an average of $29.1M per day during Quarter 2, $20.7M per day during Quarter 3 and $13.2M per day during Quarter 4, as well as projects the impact of the CARES Act funding relief.

<table>
<thead>
<tr>
<th>Quarter 2</th>
<th>Quarter 3</th>
<th>Quarter 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>($7)</td>
<td>($6)</td>
<td>($5)</td>
</tr>
<tr>
<td>($4)</td>
<td>($3)</td>
<td>($2)</td>
</tr>
<tr>
<td>($1)</td>
<td>($1)</td>
<td>($1)</td>
</tr>
<tr>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

Cumulative Net Loss before Federal Relief Funds

Cumulative Loss After Federal Relief Funds

CARES ACT LOANS VS. GRANTS

The CARES Act is bringing much needed funding to hospitals. In total, hospitals have received $2.7 billion in relief funding. However, 70%, or $1.9 billion, are considered loans that hospitals are required to pay back.

**Earnings before interest, depreciation and amortization, and is based on annual licensing survey data, hospital survey results, and extrapolations performed by MHA.**