

April 16, 2020**Immediate Release****Contact:** JoAnn Cavanaugh, Director Public Relations**Office:** (716) 706-2061 | **Cell:** (716) 228-4886 | **Email:** jcav@chsbuffalo.org

Media Statement from Mark Sullivan, President & CEO of Catholic Health, Regarding Senior Leadership Salary Reductions

Catholic Health has taken many progressive and bold steps over the past several weeks to effectively respond to the COVID-19 pandemic and continue meeting the critical healthcare needs of our community. We made these decisions under the most challenging of circumstances because it was the right thing to do for our patients, associates, and community.

While we have met these challenges head-on, and continue to lead the region in providing the most innovative and compassionate COVID care possible, we cannot escape the fact that a large portion of the medical and surgical care we provide has been put on hold by appropriate governmental orders.

In addition to the loss of elective surgeries and most outpatient services, volume in our emergency departments, primary care centers, and other specialty clinics has dropped by as much as 50 percent. We also believe our community is adhering to “STAY HOME” guidelines, afraid to go to the hospital unless absolutely critical – a trend that is occurring throughout the country. This unprecedented situation has created a financial shortfall unlike anything we have ever experienced.

The federal government will provide some relief and we will continue to work with our local payors to further compensate our system for the care we are providing. However, these actions will not be enough to make up for the financial losses we have incurred. As a result, we must take steps to reduce our expenses until we can resume our normal services. Effective this week, our senior leadership team throughout Catholic Health will be taking extended salary reductions of up to 20 percent.

It’s likely these changes alone will not be enough to weather this financial crisis, and additional temporary measures will be needed. “As always, we will continue to direct all necessary resources to the bedside, ensuring that our caregivers have the supplies and equipment they need to provide the highest quality care and service to our patients and residents,” Sullivan emphasized.

Nationwide, nearly all healthcare systems, large and small, have experienced similar dramatic revenue reductions and we cannot rely on government bailouts to completely resolve this situation. We are starting to plan ahead for the time when we can reopen our facilities and I have every confidence that the hard work and commitment of our caregivers have shown throughout this crisis will make Catholic Health even stronger in the future.