

New Statistics Demonstrate Desperate Need to Increase Cigarette Tax

Health care providers continue push to save health care



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OKLAHOMA CITY (April 18, 2017) – Oklahoma has 65 rural hospitals. Fifty-three operate at a loss. Thirty-seven have less than two weeks' cash on hand. And seven operate payroll to payroll; one missed Medicaid payment means doctors and nurses won't get paid.

Those statistics, presented today by Eide Bailly Director of Medical Professionals Rick Wagner, demonstrate the desperate need for Oklahoma's Legislature to increase the tax on a pack of cigarettes \$1.50 to fund health care.

Wagner and others delivered the call to save health care in Oklahoma at a press conference at the Oklahoma Capitol as part of the Oklahoma Hospital Association (OHA) effort to www.makeOKbetter.com

Craig Jones, president of OHA, said the public strongly supports increasing the tax.

"The will of the people is evident," he said. "Seventy-four percent of Oklahomans agree with us. Now, it's time for the Legislature to make this tax increase happen."

If the tax does not increase, Oklahoma may have to cut the reimbursement rate for services provided to Medicaid patients 25 percent. If that happens, more than a dozen hospitals will close within a year, four out of five hospitals will not deliver babies, and nine in 10 nursing homes would have to close.

Chuck Spicer, CEO of the OU Medical System, said those closures would jeopardize trauma care for the entire state. A lack of prenatal care in rural areas would mean more high-risk pregnancies, more babies in the neonatal intensive care unit (NICU), and more acute cases at OU Medical.

"When rural patients who could have been treated easily come to OU Medical, it means fewer beds available for Level 1 trauma cases and other complex conditions," Spicer said. OU Medical offers the only Level 1 trauma service in the state.

Nico Gomez, CEO of the Oklahoma Association of Health Care Providers, said \$93 million in state and federal funding cuts since 2010 have already forced more than one-quarter of nursing homes in the state to close.

He said the state needs more money for health care; even without a reimbursement rate cut, 30 percent of nursing homes face closure.

“If we see a 25 percent cut, we will not have skilled nursing facilities in Oklahoma,” he said. He also noted 19,000 people could lose their jobs, and 18,000 people – including the elderly, sick and vulnerable – would lose their homes, with no alternatives.

The speakers urged Oklahomans to sign up at www.makeokbetter.org and to call their legislators and tell them to raise the cigarette tax by \$1.50 a pack.

More information can be found on Facebook at www.facebook.com/makeOKbetter or Twitter at <https://twitter.com/makeOKbetter>.

About Oklahoma Hospital Association

Established in 1919, the Oklahoma Hospital Association represents more than 130 hospitals and health care entities across the state of Oklahoma. OHA’s primary objective is to promote the welfare of the public by leading and assisting its members in the provision of better health care and services for all people. Learn more at www.okoha.com.

MEDIA CONTACT

Ally Glavas, Candor

405-243-2024

ally@candorpr.com