



California State Treasurer Fiona Ma, CPA

News Release

FOR IMMEDIATE RELEASE

PR 23: 25
May 25, 2023

Contact: [Joe DeAnda](#)
(916) 653-2995

State Treasurer Fiona Ma Announces Approval to Implement \$150 Million Loan Program for California's Financially Distressed Hospitals

SACRAMENTO – California State Treasurer Fiona Ma today announced that the California Health Facilities Financing Authority (CHFFA) has taken action to enable the implementation of a \$150 million emergency loan program for California's financially distressed non-profit and public hospitals.

"Californians depend on these hospitals for health care and emergency services, and today's approval is going to help keep the doors open," said Treasurer Ma, who also serves as chair of the CHFFA board. "These facilities are often the only source of healthcare in rural and remote parts of the state and keeping them open can be a life-or-death matter. My team is already working closely with Governor Newsom's administration to get this critical program off the ground and help keep these hospitals open."

California's not-for-profit and public hospitals are integral to the state's healthcare system and provide substantial levels of care to the uninsured and Medi-Cal and Medicare populations. Rising operating expenses and other costs have outpaced reimbursement rates, causing some facilities to close or declare bankruptcy, while others have struggled to stay afloat.

To address the growing crisis, Governor Gavin Newsom signed Assembly Bill 112 on May 15, which created the Distressed Hospital Loan Program (DHLP), a partnership between the

Department of Health Care Access and Information (HCAI) and CHFFA to provide \$150 million in zero-interest loans to these financially distressed hospitals.

The CHFFA board approved a resolution today that enabled the executive director and staff to work with HCAI to implement DHLP and to issue the loans.

HCAI and CHFFA will continue to work to establish a loan application review methodology and plan to have an application live in June. More information can be found at [CHFFA](#) and [HCAI's](#) websites.

CHFFA was established in 1979 to provide financial assistance to public and non-profit health care facilities through loans, grants, and tax-exempt bonds. The diverse nature of the facilities funded by CHFFA reflects California's changing health care needs. From rural community-based organizations to large multi-hospital systems, CHFFA has financed a wide range of providers and programs throughout the state.

###

Fiona Ma is California's 34th State Treasurer. She was first elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state's history and reelected on November 8, 2022. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Presently, her office processes more than \$3 trillion in banking transactions. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio that currently averages over \$200 billion—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.

###

For more news about the State Treasurer's Office, please follow Treasurer Ma on Twitter at [@CalTreasurer](#), Instagram at [@CalTreasurer](#), and on Facebook at [California State Treasurer's Office](#).