

Questions and Answers

What is Augusta Victoria Hospital (AVH)? Augusta Victoria Hospital is a center of medical excellence in East Jerusalem, serving all 5 million Palestinians in the West Bank and Gaza. It offers specialized care not available in other hospitals in the West Bank and Gaza, including radiation therapy for cancer patients and pediatric hemodialysis. Augusta Victoria Hospital is accredited by the Joint Commission International for its outstanding quality. It is one of the six East Jerusalem hospitals. Around 30% of its patients come from Gaza. AVH is fully certified by the Israeli Ministry of Health and receives patients referred by the Palestinian Ministry of Health.

What kinds of services does the AVH offer? Augusta Victoria Hospital has the following care centers and departments: The Cancer Care Center, The Hematology and Bone Marrow Transplantation Center, The Kidney Care Center, The Surgery and Ear, Nose and Throat Care Centre, The community Care Department, The Specialized Centre for Child Care, The Skilled Nursing and Long-Term Care Facility, The Laboratory Medicine Department and the Diagnostic Radiology Department. In 2017, AVH had 10,836 inpatient admissions, 19,863 dialysis sessions, 21,434 chemotherapy sessions and 22,349 radiation sessions.

Why are the East Jerusalem Hospitals facing a cash crisis? For several years, AVH and other East Jerusalem hospitals have been facing cash-flow problems because of the inability of the Palestinian Authority (PA) to pay on a regular basis the bills of the patients which it refers to these hospitals. From 2017 onwards, the PA introduced regular monthly payments, but there is still a considerable debt from the patient referrals. Currently the total debt owed to the six hospitals amounts to USD 80 million and for AVH alone it is USD 38 million.

Is this the first time the hospitals have faced a cash crisis? Unfortunately, no. The set up has been unsustainable for a long time. In 2017 the PA debt reached an unprecedented level. Eventually the PA announced that they would be making substantial payments, including regular monthly payments. It is a concern that the immediate cash crisis, for various reasons, is becoming an annual experience.

How is Augusta Victoria Hospital impacted? While there is an immediate impact to the cash flow of Augusta Victoria Hospital, whose annual share of the US funding normally is around USD 11 million, there are also other impacts. In the last decade alone, the United States, through USAID, has contributed an additional USD 10 million for technological advancement and to build the medical expertise of AVH. Additionally, the US funding cuts in the West Bank and Gaza, including cuts to UNRWA and the redirecting of USD 200 million of funding elsewhere, will impact directly and indirectly patients served by AVH.

Why are US funding cuts related to the Palestinian Authority's patient bills? As the Palestinian Authority has been unable to pay its full bill for patient referrals, other actors, like the United States and the European Union, contribute financially to the PA to help them pay the bills and avoid a mounting financial crisis, even collapse, of the East Jerusalem Hospitals. The US Congress approved USD 25 million for the financial year 2017 to be paid to the PA to help cover the bills of the patients from the West Bank.

Why are we talking about the US government funding from 2017 in 2018? The funding for the East Jerusalem Hospitals has been approved by the US Congress for 2017. With their hesitations to fund Palestinian Authority and programs in West Bank and Gaza, President Trump's administration wanted to make a policy review. This has taken time, been tied to the calls by the Trump administration for the Palestinians to come back to the negotiating table and resulted in significant funding cuts to UNRWA, Palestinian Authority and those partnering with the USAID. This totaled over USD500 million in cuts.

Is there anything that could be done to address this situation? Various actors, including the Palestinian Authority, Israel, United States and the rest of the international community, have an interest in seeing continued services within the six East Jerusalem hospitals. Therefore, they need to work hard to find a short-term solution to the crisis by finding a way to replace the gap created by the US Administration's decision. Doing this is urgent, but it is not enough. A long-term solution for the sustainability of these services needs to be found. Some of the key components of the long-term sustainable solution include elimination of the PA debts to the six hospitals, reform of the Palestinian health system and adequate funding locally and from donors for the Palestinians to access their full health rights.

How is Augusta Victoria Hospital funded overall? Last year alone, the Lutheran World Federation's Jerusalem Program had some 30 donors. While the patient services were billed primarily to the Palestinian Authority, the various additional services and developments were funded by churches worldwide and by various other partners and donors. The additional services offered enable the AVH to take care of the wellbeing of its patients and those that accompany them holistically through offering services such as psychosocial care, transportation, education and housing. The overall expenses of the AVH amounted 46.7 million Euros in 2017 while the revenues were 49.4 million Euros.

How is Augusta Victoria Hospital linked to the Lutheran World Federation? Augusta Victoria Hospital has been a program of the Lutheran World Federation in Jerusalem for almost 70 years. The hospital operates in a property on the Mount of Olives which the Kaiserin Augusta Victoria Foundation transferred to the trusteeship of the LWF in 1950.

Who are the impacted East Jerusalem Hospitals? They are Makassed Islamic Charitable Hospital, Red Crescent Maternity Hospital, St. John Eye Hospital, The Jerusalem Princess Basma Center, St. Joseph's Hospital and Augusta Victoria Hospital. These hospitals have organized themselves into an East Jerusalem Hospitals Network.