

Questions and Answers

**AUGUSTA VICTORIA HOSPITAL (AVH)
and the EAST JERUSALEM HOSPITALS NETWORK**

What is Augusta Victoria Hospital (AVH)? Augusta Victoria Hospital is a center of medical excellence in East Jerusalem, serving the five million Palestinians in the West Bank and Gaza. As one of the six hospitals in the **East Jerusalem Hospitals Network**, AVH offers specialized care not available in other hospitals in the West Bank and Gaza, including radiation therapy for cancer patients and pediatric hemodialysis.

AVH receives patients from the West Bank and Gaza referred by the Palestinian Ministry of Health. Approximately 30% of the cancer patients treated at AVH are from Gaza. Augusta Victoria Hospital is accredited by the Joint Commission International for its outstanding quality. AVH, located on the Mount of Olives in Jerusalem, is also fully licensed by the Israeli Ministry of Health. Augusta Victoria Hospital is owned and operated by the **Lutheran World Federation (LWF)** and supported by the **Evangelical Lutheran Church in America (ELCA)** and several other member churches of the LWF around the globe.

Which hospitals are part of the East Jerusalem Hospitals Network? Makassed Islamic Charitable Hospital, Red Crescent Maternity Hospital, St. John of Jerusalem Eye Hospital, Princess Basma Rehabilitation Center, St. Joseph's Hospital, and Augusta Victoria Hospital.

What kinds of services does AVH offer? Augusta Victoria Hospital has the following care centers and departments: Cancer Care Center, Hematology and Bone Marrow Transplantation Center, Kidney Care Center, Surgery and Ear, Nose and Throat Care Center, Community Care Department, Specialized Center for Child Care, Skilled Nursing and Long-Term Care Facility, 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.

What is the relationship between AVH and the United States? Augusta Victoria Hospital is able to operate because of the support of LWF member churches, like the Evangelical Lutheran Church in America, and longstanding partnerships with countries like the United States. In the last decade the US government, through the U.S. Agency for International Development (USAID), invested nearly \$10 million in AVH to bolster its capacity as a cancer center. In addition, the US government provided over several years tens of millions of dollars in aid to help cover the costs of the cancer patients and others referred to AVH and the other East Jerusalem hospitals by the Palestinian Authority.

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 it refers to these hospitals. From 2017 onwards, the PA introduced regular monthly

payments, but there is still a considerable debt to AVH and the other East Jerusalem hospitals related to the patient referrals. As of 10 November 2018, the total debt owed to the six hospitals amounted to approximately USD 75 million and for AVH alone the PA debt was over USD 35 million.

How is Augusta Victoria Hospital affected? The delays in the PA payments of its debts to AVH, due in part to the cut of the 2017 US funding, prompted a severe cash-flow crisis for AVH. It is the intention of the Lutheran World Federation to continue to provide life-saving treatment to patients from the West Bank and Gaza, but the accumulated PA debt makes it increasingly difficult to pay pharmaceutical suppliers for cancer medications, pay staff, and avoid further interruption in the treatment of patients. Already AVH has been forced to curtail the intake of cancer patients due to the lack of funds.

How are US funding cuts related to the Palestinian Authority's patient bills? AVH and the five other East Jerusalem hospitals rely on funding each year from the US and the European Union (EU) to cover approximately half of the costs of patients referred to these hospitals by the Palestinian Authority. The US Congress approved USD 25 million for the financial years 2017 and 2018 to be paid to the PA to help cover the bills of the West Bank and Gaza patients that are treated in the East Jerusalem hospitals. The annual support of the U.S. and the European Union is needed to avoid financial crises that lead to the interruption of critical medical services provided by the East Jerusalem hospitals.

In March 2018, the US Congress passed the Taylor Force Act in order to strengthen restrictions on aid to the Palestinian Authority in annual appropriations legislation. It is important to note that the Taylor Force Act includes a specific exemption for the East Jerusalem Hospitals Network. Congress, through this exemption, recognizes the vital role of Augusta Victoria Hospital and the other East Jerusalem hospitals and includes this exemption in order to ensure that cancer patients and others are not harmed by the Act.

What can be done to address this situation? The Palestinian Authority, Israel, the United States and the international community have an interest in ensuring that the six East Jerusalem hospitals continue to function and play a role in promoting Palestinian access to quality health care. In addition to providing life-saving specialty-care services, AVH and the other East Jerusalem hospitals are helping to foster a constructive environment for future peace negotiations toward a two-state solution and shared Jerusalem. In light of the Administration's decision to cut the 2017 funding to the East Jerusalem hospitals, it becomes all the more urgent in the short-term to encourage the Administration to release the 2018 funding and ensure that Congress will include strong support for funding in the 2019 legislation. The PA, Israel, the U.S. and European Union need to work together to find long-term solutions for the sustainability of these services. They need to address the accumulated PA debts to the six East Jerusalem hospitals, promote reforms of the Palestinian health system, promote ways to increase funding locally, and work to secure ongoing international assistance.

(Q&A updated 12 November 2018)