



AB 2353 – Health Care Mandates and Affordability

SUMMARY

AB 2353 promotes health care affordability by requiring an independent evaluation of the costs and impacts of bills that impose new requirements on hospitals. The bill provides legislators with tools to understand how policy affects health care costs for Californians.

BACKGROUND

Hospital care in California is under threat. Nearly 45% of the state's hospitals operate at a deficit. In 2025, financial strain forced hospitals and health systems to lay off 3,500 workers. Three hospitals closed in the last three years, and dozens more shuttered service lines. H.R.1 – the so-called “Big Beautiful Bill” – will further devastate California's hospitals, slashing \$46 billion in public health care program funding. Given these national cuts and the state's budget deficit, California's health care delivery system cannot withstand additional strains while maintaining critical care for residents.

PROBLEM

Each year, state policymakers evaluate hundreds of health care-related bills – and would benefit from a comprehensive, independent analysis about how each bill would affect patient health care costs or benefits.

To confront health care affordability, California must recognize the factors that are escalating health care costs – including the hidden impact of regulation. Patients deserve access to safe, high-quality care, and that starts with thoughtful policy.

Patients and caregivers benefit from smart, effective laws that balance the potential benefits to patients with the burdensome

impacts of rising health care costs on Californians.

SOLUTION

- **AB 2353** tasks the Department of Health Care Access and Information (HCAi), in partnership with the University of California, to establish the Center for Health Provider Policy Impact to assess and evaluate the impact of state and federal policies on hospitals, ensuring that affordability and cost of care are considered in legislative decisions.
- **AB 2353** gives legislators tools to understand the costs and benefits of a policy to hospitals – and thus to patients.
- **AB 2353** authorizes HCAi to assess a fee on hospitals to fund the bill, separate from the state's General Fund.

SUPPORT

California Hospital Association (Sponsor)
Adventist Health
Alliance of Catholic Health Care
Association of California Healthcare Districts (ACHD)
Barstow Community Hospital
Bear Valley Community Healthcare District
California Association of Health Facilities (CAHF)
California Children's Hospital Association

California Society of Health-System Pharmacists (CSHP)
Canyon Ridge Hospital
Cedars-Sinai Health System
Community Health System
Community Hospital of San Bernardino
Contra Costa County
Cottage Health
Dignity Health
District Hospital Leadership Forum
Enloe Health
HCA Healthcare
Huntington Health
John Muir Health
Kaiser Permanente
Kindred Hospitals
Marshall Medical Center
Mayers Memorial Hospital District
MemorialCare
Modoc Medical Center
Mountains Community Hospital
PIH Health
Pomona Valley Hospital Medical Center
Prime Healthcare
Private Essential Access Community Hospitals
Rady Children's Health
Ridgecrest Regional Hospital
Saint Agnes Medical Center (SAMC)
Scripps Health
Sharp Healthcare (Sharp)
Stanford Health Care
Tenet Healthcare Corporation
Torrance Memorial
Tri-City Medical Center
United Hospital Association (UHA)

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