



AB 2353 – Health Care Mandates and Affordability

SUMMARY

AB 2353 promotes health care affordability by requiring an independent evaluation of the costs and benefits of bills that impose new requirements on hospitals. The bill arms 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 often must do so absent independent information about how each bill would affect patient health care costs or benefits. Constituents deserve informed representatives with a comprehensive understanding of a bill's impacts when making decisions impacting health care.

Under the California Health Benefit Review Program (CHBRP), the University of California evaluates legislation related to health insurance benefits and prepares a written analysis within 60 days to inform the Legislature's decisions. However, no

such entity reviews mandates imposed on health care providers like hospitals.

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 an independent agency with reviewing legislation that places additional requirements 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.

SUPPORT

California Hospital Association (Sponsor)

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