

Hospital Financial Challenges Put Access to Care at Risk

Background

- Recent data show that despite some small improvements in hospitals' financial conditions, the majority of California hospitals are still struggling.
- Severe losses hospitals incurred during the pandemic have never returned to normal levels, and sharp spikes in the cost of delivering care (salaries, medications, medical supplies, physical plant overhead, and more) continue to outpace revenue growth.
- Nearly half of all hospitals in California lose money every day delivering care. Another 12% are barely above break-even.

Key Messages

- The biggest driver of these challenges at [HOSPITAL NAME] is that government payers — Medicare and Medi-Cal — don't cover the actual cost of care delivery. [INSERT HOSPITAL PAYER MIX HERE AND DISCUSS PATIENT TRENDS (LONGER LENGTHS OF STAY, UNDERINSURANCE, ETC.)]
- This is a national trend, and we're seeing this play out in frightening ways. Maternity units and behavioral health care, those services that see the biggest gaps between reimbursement and cost are closing at an alarming rate. Here at [NAME OF HOSPITAL], we are looking at some difficult decisions around [XXXX] and [XXXX] just to remain open and available for patients.
- We need your help on a number of issues — preventing dangerous DSH cuts, opposing changes to Medicare's site-specific payment policies, and protecting low-cost medication support through 340B — to help preserve and stabilize care in [NAME OF COMMUNITY].

Resources

- [Hospital Care at Risk - Infographic](#)
- [How Hospitals Are Financed - Infographic](#)
- [Protecting Access to Care - Infographic](#)