

# CHA Key Messages

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## Hospitals Oppose Bill That Would Increase Costs for Patients, Decrease Access to Care

Hospitals recognize and reward their employees as front-line heroes.

- Hospital employees are nothing short of heroes. Despite a raging pandemic, they have courageously and tirelessly treated all Californians in need, jeopardizing their own safety and that of their families.
- To safeguard and care for these heroes during the COVID-19 fight, hospitals have taken extraordinary measures and spent hundreds of millions of dollars on their workforce.
- These investments include bonuses, childcare and subsidies, temporary housing, and extended leave.

AB 650 would dramatically increase health care costs for patients.

- AB 650 would increase costs by an estimated \$5 billion for hospitals alone at a time when we are trying to control health care costs.
- Billions more in unfunded and unbudgeted expenses will result in higher insurance costs, higher copays, and higher deductibles for consumers.
- AB 650 would also generate **billions in unfunded higher costs** for the state to fund Medi-Cal and other health care programs, draining resources available for state budget priorities.

AB 650 could reduce access to care at the worst possible time.

- Faced with billions in unfunded higher costs, many health care providers will need to alter capital improvement plans, eliminate services, or shut down altogether — jeopardizing access to care at the worst possible time.
- Nearly 40% of California hospitals were operating at a loss before the pandemic, and that number has increased because of the pandemic.
- Hospitals have **lost more than \$8 billion** because of COVID-19.
- Especially as we emerge from the pandemic, we need to invest and strengthen our health care safety net, not massively increase costs that will decimate services.