

# Key Messages

## Access to Quality Care Depends on Strong Hospital Partnerships

### When hospitals partner in California, they preserve access to high-quality health care and save lives.

- Struggling hospitals often need to partner with larger integrated systems to remain open and provide specialty services for all who need care.
- A recent merger between Beverly Hospital, which declared bankruptcy in 2023, and Adventist Health allowed the Montebello facility to open an intensive care unit and resume 911 emergency transports.
- Hospital partnerships make advanced services available closer to home for patients who need specialized care such as cancer treatment, rehab services, cardiac care, and organ transplants.

### Legislation hindering hospitals' ability to pursue partnerships would remove an essential survival tool during historic financial challenges.

- Many hospitals are open today only because they partnered with integrated health systems.
- A recent example of how important partnerships are to hospitals' survival is Madera Community Hospital, which remained closed through all of 2023 after a merger negotiation fell through, decimating access to care for tens of thousands in the Central Valley.
- In California, 74% of hospitals have partnered with larger health systems, and that number will likely need to grow if the state wants to maintain or expand access to care.

### Policy decisions on health care partnerships must be based on facts and data.

- There is a widespread misconception that hospital partnerships lead to higher health care costs. A recent [Kaufman Hall report](#) refutes that argument: "There is no apparent correlation between higher levels of integration and lower levels of affordability for consumers." In fact, "consumers in more highly integrated states may have more affordable insurance premiums and lower per-capita health care expenditures."
- California has the **10<sup>th</sup> lowest per capita hospital expenditures in the nation** when adjusting for the state's high cost of living.
- According to [data](#) from the Kaiser Family Foundation, states with a high degree of integration — including California — are no more likely than those with lower degrees of integration to have health insurance premiums above the national average.