



# **HOSPITALS:** here for *you*



JANUARY 2022

**Hospitals are here for you.** With a commitment to serving others, Colorado's hospitals repeatedly demonstrate their dedication to their patients, their communities, and their people. Through all stages of life, Coloradans depend on hospitals – for care during their most difficult health concerns, for partnership on expanding health care access and programs, for high-paying and stable employment opportunities, for leadership during crises like the COVID-19 pandemic, and much, much more.

## Patient Care in Colorado is **High Quality**



Even amid the COVID-19 pandemic, Colorado hospitals continued providing **high-quality and accessible care** throughout the state. From inpatient care to emergency department visits to newborn deliveries to outpatient care, hospitals meet patients' health care needs at every level. That comprehensive approach is working.

## 6<sup>th</sup> Best in the Country

for health system  
performance including  
measures of quality,  
access, affordability,  
and treatment.<sup>1</sup>





**HOSPITALS:**  
here for our *patients*



# The Clinical Heroes in Colorado Hospitals Have:



Cared for **50K+**  
COVID-19 patients<sup>4</sup>



Provided **1M+**  
COVID-19 tests<sup>2</sup>



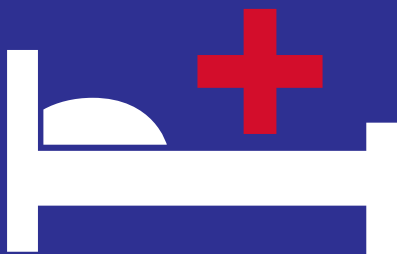
Vaccinated **800K**  
community members<sup>2</sup>



## Financial Strength was Critical

Hospital capacity has been built over time based on long-term strategic planning and community need and growth. Hospital occupancy varies greatly by facility, with seasonality, and as the state population continues to change. **During the pandemic, Coloradans**

needed every  
hospital bed.



**Occupancy rates** are up across all hospital types in recent years, with a **68 percent average** before the pandemic.<sup>3</sup> Rural hospitals have the lowest occupancy rates, at 40 percent on average. As demonstrated throughout the COVID-19 pandemic, additional hospital capacity is necessary for surge events.

## Colorado hospitals:

Ran above **90 percent occupancy** for both ICU and acute care beds for multiple weeks in 2021.

Had fewer than **100 ICU beds** and **400 acute care beds** available at various peaks of the 2021 surge.<sup>4</sup>

The COVID-19 pandemic has put significant strain on hospital resources, with shortages in staffing, supplies, and higher acuity patients driving up operational expenses.

## COVID-19 Cost Colorado Hospitals:<sup>12</sup>

↑  
**\$627 million**  
in expenses



↓  
**\$440 million**  
in revenue



## Hospitals Fund Increased Coverage for Patients



Colorado hospitals have long supported increasing access to care so patients can receive care when they need it, including expanding Medicaid coverage and expansion for an additional 502,000 Coloradans through fees assessed to hospitals within the provider fee program.

### Hospitals and the provider fee supported coverage for:<sup>5</sup>

**458,000**  
Health First  
Colorado  
adults

**111,000**  
parents

**26,000**  
CHP+ children  
and pregnant  
women

**15,000**  
Health First  
Colorado  
working  
adults

## Financial Stability Ensures Patient Care

### Hospital Margins Vary Significantly

To fund needed future investments in infrastructure, equipment, and workforce, hospitals must attain margins that are sustainable in the long term – 2-6 percent of patient revenues according to national standards.

**52**

**COLORADO  
HOSPITALS**

**had negative  
operating margins**

**Hospital operating margins  
decreased by over**

**\$1.5  
billion<sup>10</sup>**

**\$ \$ \$ \$ \$ \$**

**Hospital Cost Trends are Stable**

**9<sup>th</sup> best in the nation**

on costs-per-adjusted-discharge, a figure that has

**increased just  
0.1 percent 2018 to 2019.<sup>11</sup>**

While hospitals continue to address health care costs and health care affordability, other financial challenges for hospitals persist. **Medicare and Medicaid payment shortfalls were \$2.9 billion in 2020**, an increase of \$224 million over 2019.<sup>15</sup> These underpayments require hospitals to recoup those losses from private payers, known as “cost shift,” to keep hospitals sustainable.





# Colorado Health Care Affordability is Improving

The many efforts of hospitals  
are making a difference.



addressing affordability, reducing  
low-value care, extending affordable coverage to  
all residents, and making out-of-pocket  
costs affordable.<sup>6</sup>

## Coloradans Spend Less on Health Care



individual Affordable Care Act (ACA)  
premiums in the country



**\$1,260** per person savings<sup>7</sup>

Coloradans with private insurance  
spend less on premium and  
deductible costs. Colorado  
households save  
**\$877 per year**  
on health care.<sup>9</sup>



Coloradans also spend a lower share of  
personal expenditures on health care.<sup>8</sup>





## Hospitals Invest Substantially in Their Communities

Colorado hospitals serve their communities through investments and partnerships. In 2019, Colorado hospitals directly invested in their communities by providing:<sup>14,15,16</sup>

**\$700M**

Free/Discounted  
Services

**\$525M**

Social  
Determinants

**\$2.7B**

Subsidy and  
Support

**\$300M**

Charity Care



## Hospitals Are the Economic Anchors Across Colorado

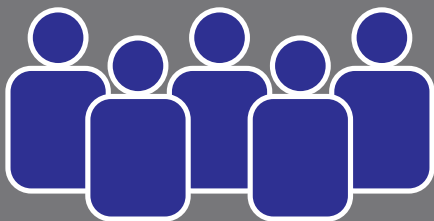
Colorado hospitals create growth in other services, provide community leadership, and pay taxes, resulting in a **total indirect economic impact to Coloradans of nearly:**<sup>13</sup>

**Colorado**  
\$40B

**Rural**  
\$4.9B

## Hospitals Are Leading Employers

In Colorado, hospitals are one of the largest employer groups offering middle income-level jobs.<sup>17,18</sup>



**COLORADO**  
**96K Jobs**  
4% OF ALL

**RURAL**  
**16K Jobs**  
14% OF ALL

## Ensuring the Health Care Future



Colorado hospitals train more than **1,300 physicians each year** through residency programs within the federal Graduate Medical Education program.<sup>19</sup> Hospitals partner with local high schools and colleges on workforce development programs, including job shadowing, support of local Health Occupation Student Association chapters, formal health care workforce programs, and more.<sup>20</sup>



Colorado hospitals are here for you. Through high-quality, accessible, and affordable health care, community service and partnerships, and as employers – Colorado hospitals are committed to serving others and continuing to provide for the state in the years to come.

## References

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- <sup>2</sup> CHA data
- <sup>3</sup> Healthcare Cost Report Information System: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Downloadable-Public-Use-Files/Cost-Reports>
- <sup>4</sup> CDPHE COVID-19 data: <https://covid19.colorado.gov/data>
- <sup>5</sup> 2022 CHASE annual report: [https://hcpf.colorado.gov/sites/hcpf/files/2022%20CHASE%20Annual%20Report%20DRAFT%20clean%20copy\\_0.pdf](https://hcpf.colorado.gov/sites/hcpf/files/2022%20CHASE%20Annual%20Report%20DRAFT%20clean%20copy_0.pdf)
- <sup>6</sup> Altarum's Healthcare Affordability State Policy Scorecard: <https://altarum.org/news/altarum-releases-policy-scorecard-report-help-states-strengthen-efforts-address-affordability>
- <sup>7</sup> Kaiser Family Foundation, Health Insurance Marketplaces: <https://www.kff.org/state-category/affordable-care-act/health-insurance-marketplaces/>
- <sup>8</sup> U.S. Bureau of Economic Analysis, Personal Consumption Expenditures (SAEXP1). <https://apps.bea.gov/itable/index.cf>
- <sup>9</sup> Commonwealth Fund State Trends in Employer Premiums and Deductibles: <https://www.commonwealthfund.org/publications/issue-briefs/2020/nov/state-trends-employer-premiums-deductibles-2010-2019>
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- <sup>11</sup> KFF Health Cost and Budget Indicators, Hospital Inpatient Day Expenses: <https://www.kff.org/state-category/health-costs-budgets/hospital-inpatient-day-expenses/>
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