



Financial Challenges Are Growing for Colorado Hospitals

Hospitals have faced staggering financial and operational challenges over the past four years, with rising costs, shifting patient needs, new regulations, and reimbursement hurdles. Amid federal uncertainty and state budget strains, protecting programs that support vulnerable patients and hospitals is critical.

More than 70% of Colorado hospitals have operating margins that threaten long-term sustainability and investment in patient care. Hospitals need to earn **at least 4% operating margin** after accounting for expenses to remain sustainable and continue providing care for their community for years to come. With unsustainable finances, hospitals and patients face:



HOSPITAL CLOSURES



DISCHARGE DELAYS



INCREASED COSTS



REDUCED ACCESS TO CARE



LONGER TRAVEL AND WAIT TIMES



FEWER SERVICES

Expenses for Colorado hospitals continue to **rise at near double-digits each year**, surpassing national and local inflation rates since 2019.



- Labor expenses **↑ 39+%**
- Supply expenses **↑ 50%**

Colorado hospitals support their communities by delivering free and discounted care to patients who need financial assistance and investments in community health programs.



Hospitals provided nearly **\$2.1 billion in community benefit including charity care**, and the need increasing as more patients become uninsured or are un-enrolled from Medicaid.

As a result, charity care costs are up **140%** since 2019, and up **50%** just from 2023.

Coloradans deserve access to affordable, quality care, close to home. Colorado hospitals are committed to serving their communities, but they are facing significant financial burdens. As policymakers consider new laws and regulations, they must first consider the impacts of the hundreds of new laws enacted in recent years and the financial health of Colorado's hospitals.

FOR QUESTIONS:

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