Colorado Community Health Care Access Update



Q2 2026 Hospital Financial and Utilization Trends

c|h|a
Colorado Hospital Association

Colorado Community Health Care Access: Q2 2026 Update

Key takeaways:

- **Demand for health care is growing.** Emergency Department (ED) visits are up 7%, and discharges are up 5%. Uninsured ED visits remain 20% above 2019.

- **The cost of care is outpacing revenue**. Since 2019, expenses are up 68% while patient revenue is up 54%. Supply costs, including for drugs, are up 12% this year.

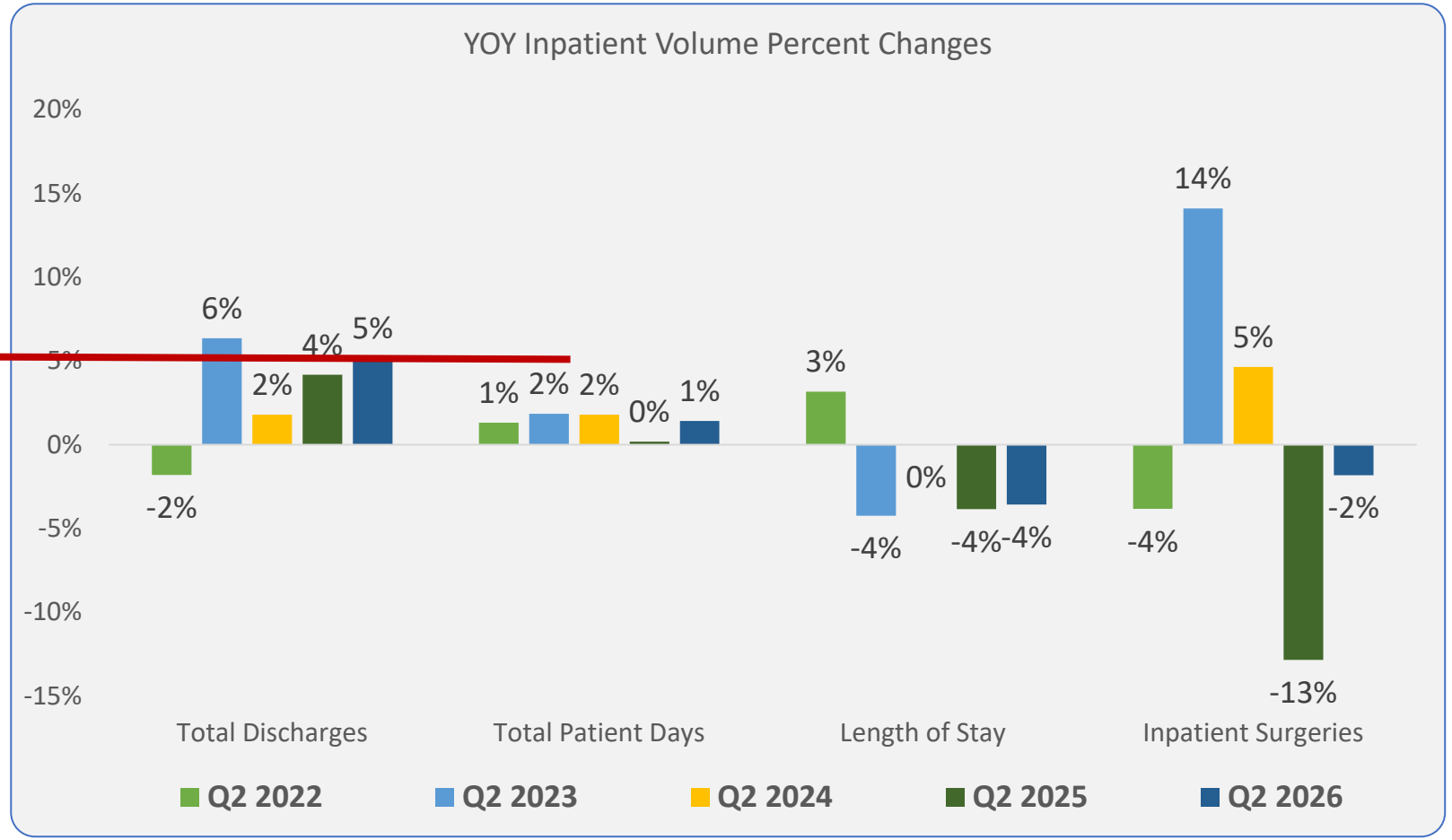
- **The gap between expenses and revenue has not recovered since the pandemic.** That difference leaves less to invest in staff, equipment, and services.

- **Hospitals are delivering more unpaid care.** Hospitals provided $288 million in charity care in Q2 2026, up 117% compared to the same quarter in 2022.

- **When margins are low or negative, services and access to care are at risk.** This is most acute in rural Colorado, where 84% struggle to maintain a margin.

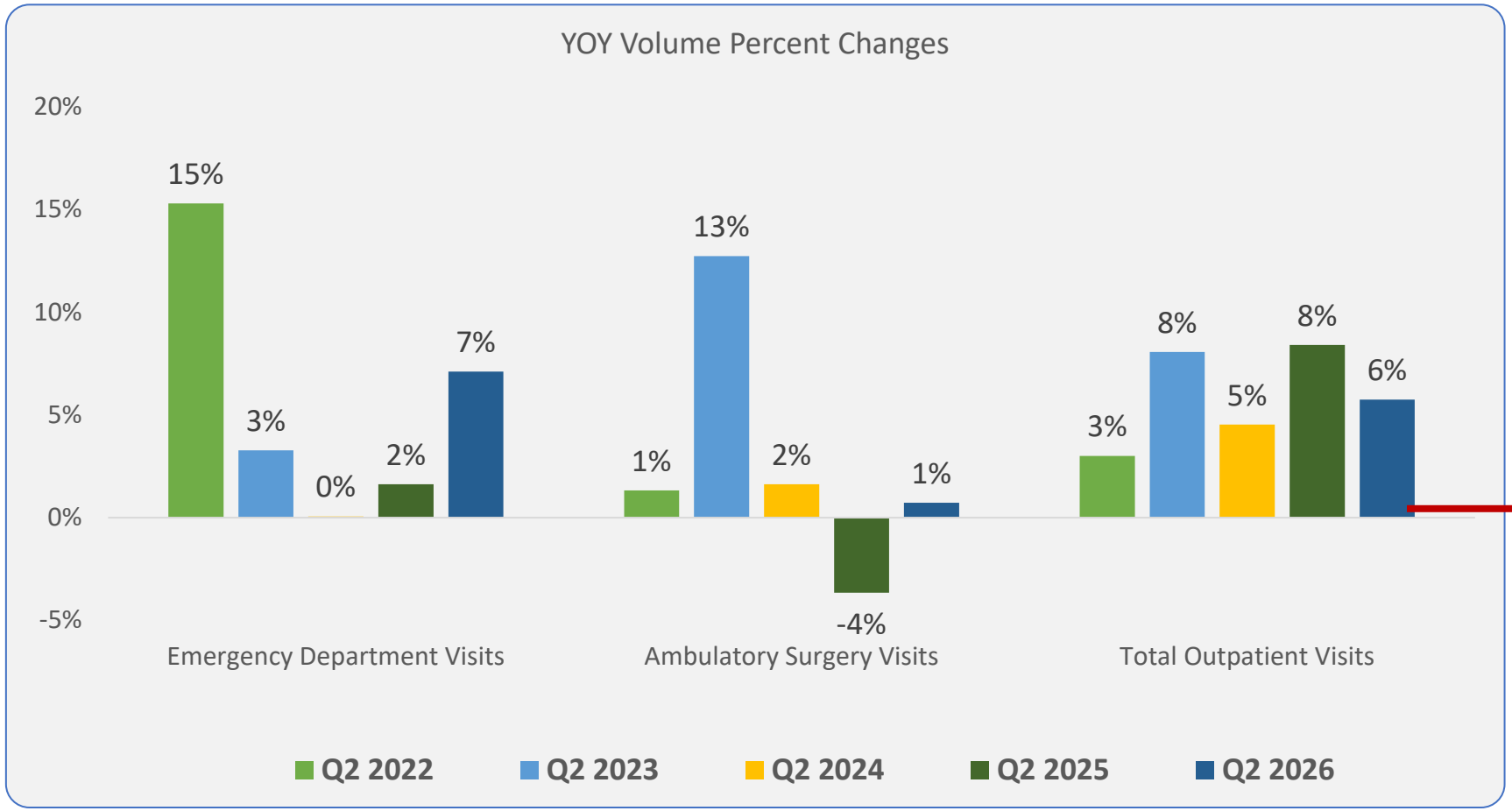
Demand for inpatient care keeps growing

Inpatient discharges continue to rise while patient days are flat, which is causing reductions in length of stay.



Data obtained from CHA Databank reported through June 2026

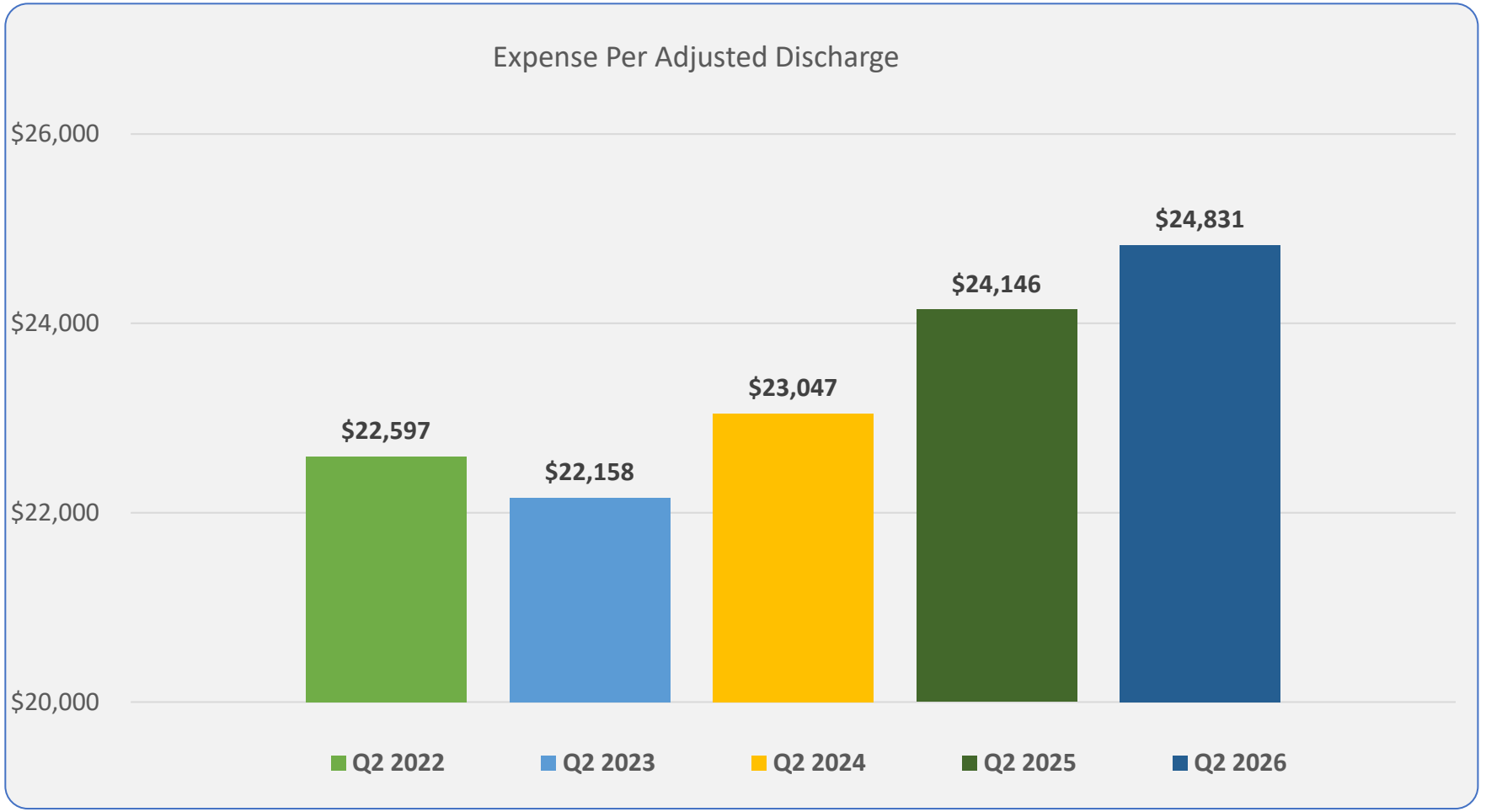
Outpatient care volume is growing



Both ED and outpatient visits continue to trend higher in 2026.

Data obtained from CHA Databank reported through June 2026

Caring for each patient costs 32% more than in 2019

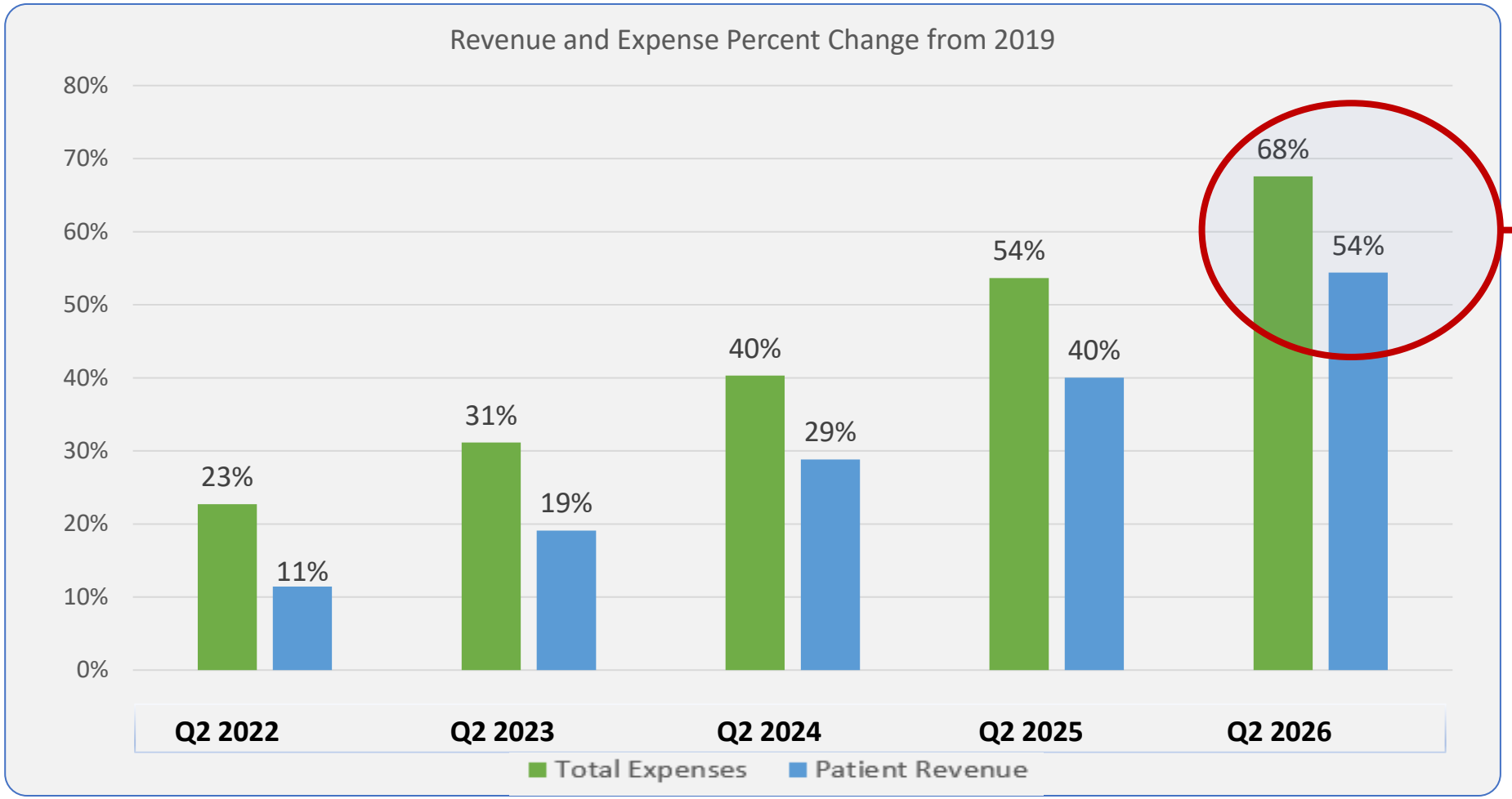


Data obtained from CHA Databank reported through June 2026

Key Takeaways

- Operating expense per discharge increased 3% Q2 2026, driven by increases in wage/supply costs and improved by operational efficiencies.
- Since 2019 operating expense per adjusted discharge has increased 32% due to high inflation and cost trends exceeding patient service volumes.

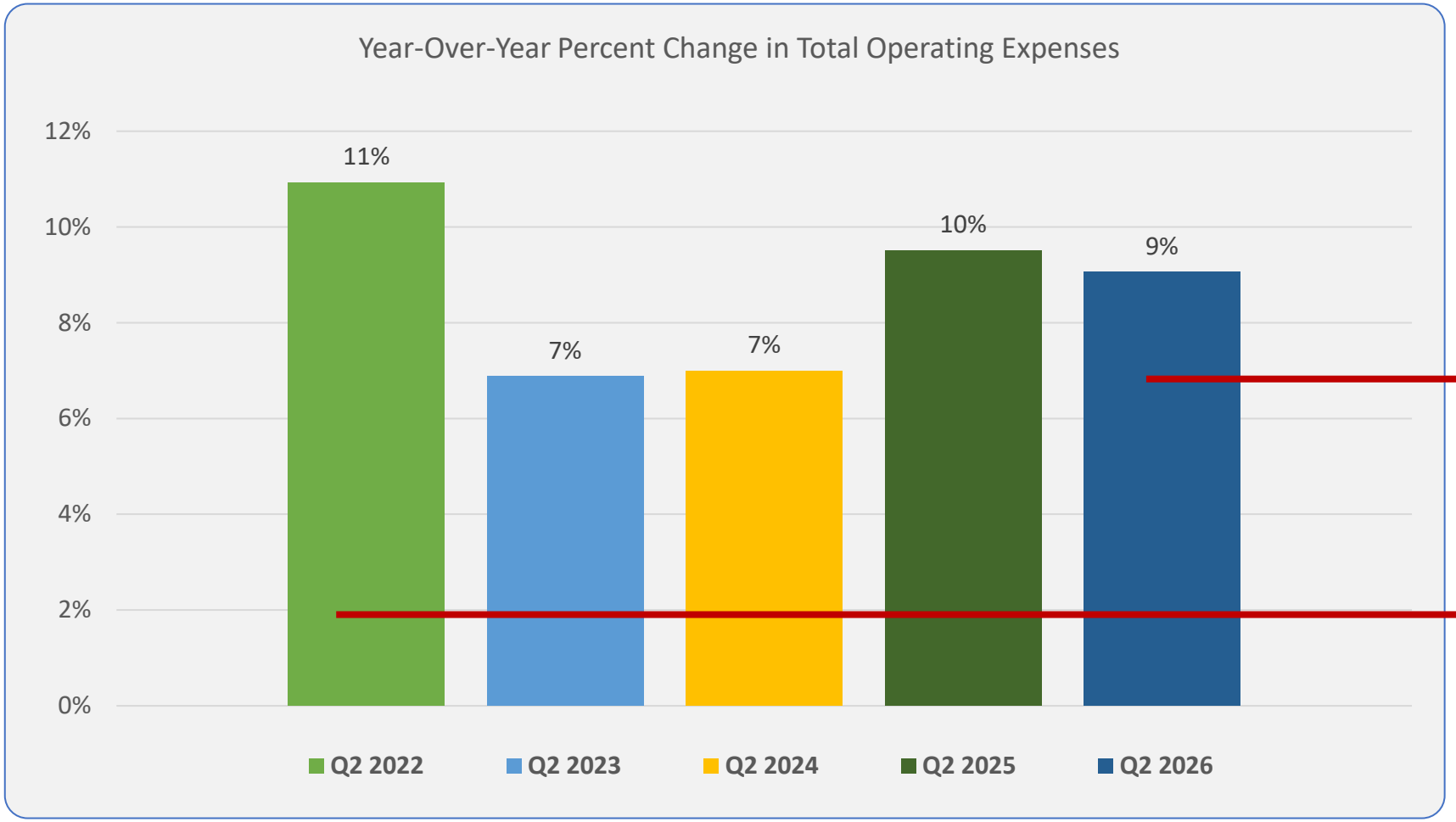
Cost of care rising faster than revenues



Expenses continue to rise higher than revenues, resulting in deteriorating operating margins and hospital sustainability.

Data obtained from CHA Databank reported through June 2026

Cost of care rising faster than revenue: total expenses

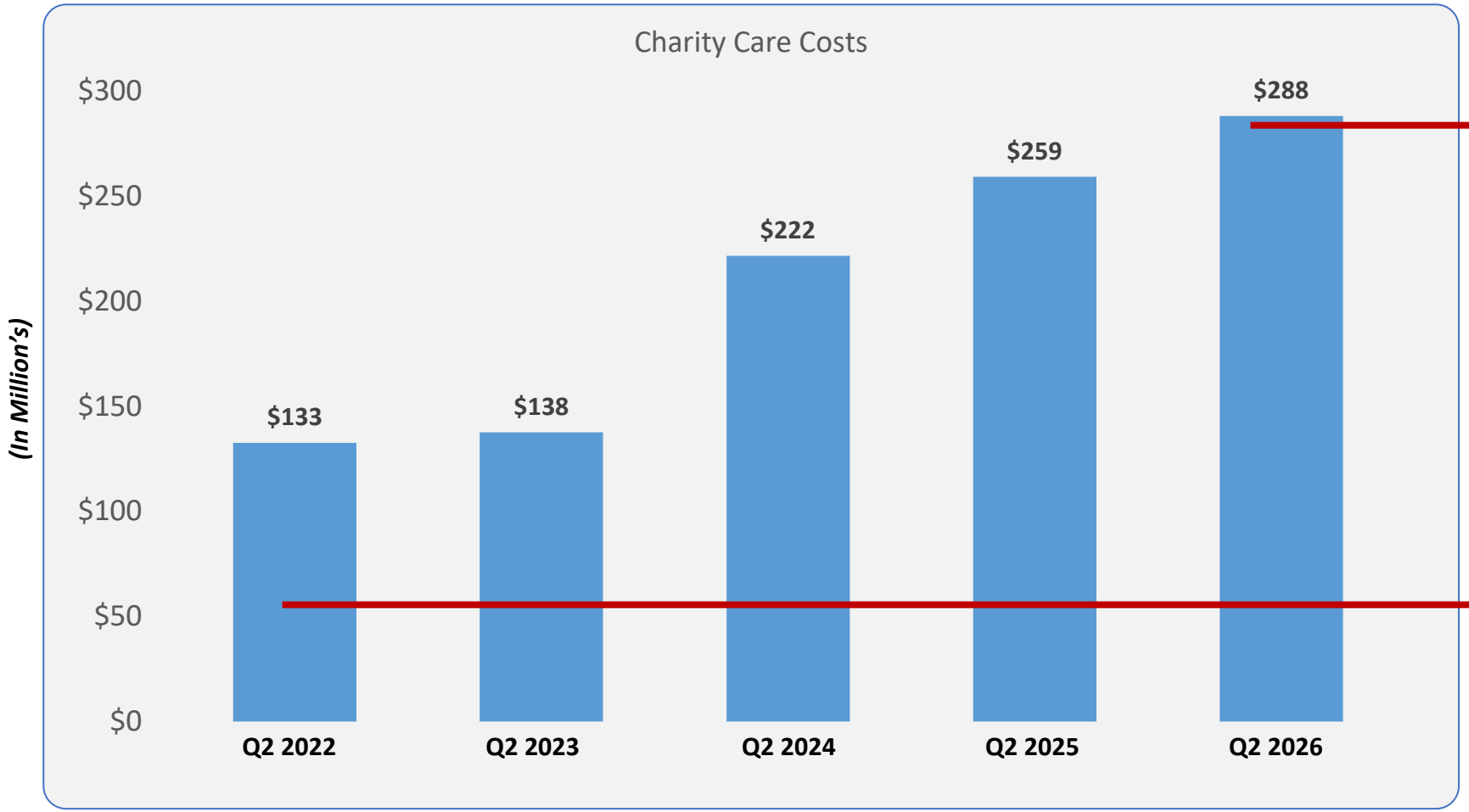


Operating expense trends continue to run higher than overall inflation driven by increases in patient services and wage/supply costs

Operating expenses have averaged 8.7% per year.

Data obtained from CHA Databank reported through June 2026

Hospitals are providing more free care: $288 million in Q2 2026

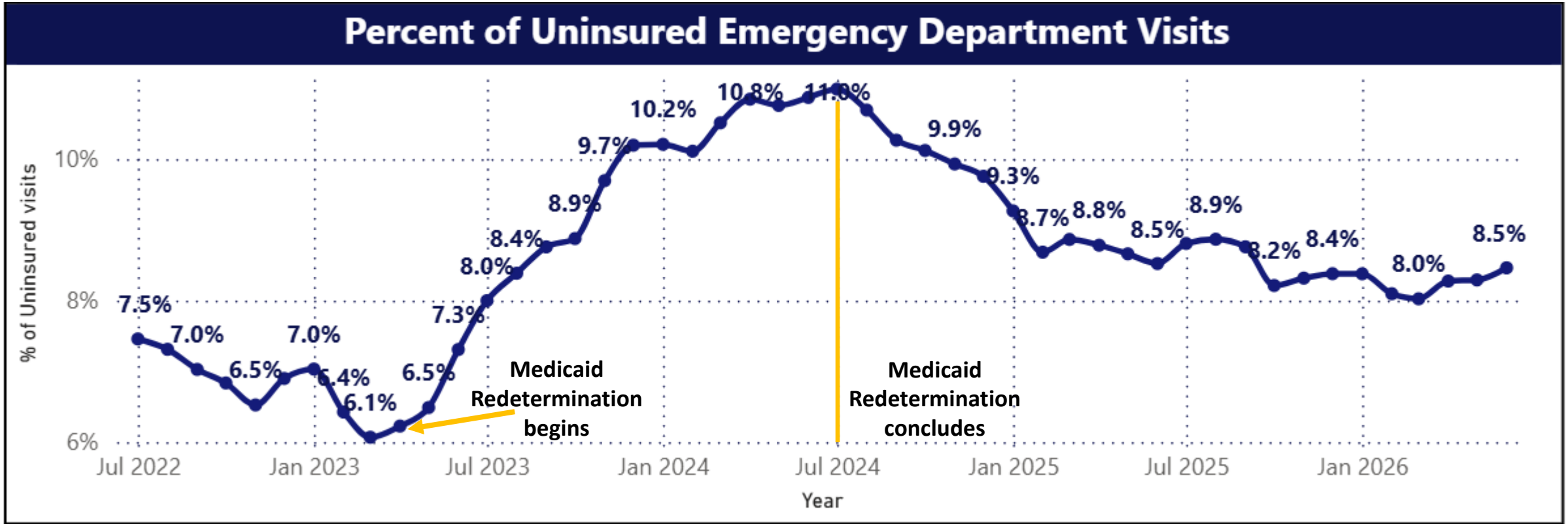


Q2 2026 increased 11% from the 2025 and 30% from 2024.

117% increase in charity/uncompensated compared to 2022.

Data obtained from CHA Databank reported through June 2026

More patients arrive at hospitals without coverage



Although the rate of uninsured patients has improved since the end of redetermination, it has not returned to baseline and remains 20% above 2019.

Why this matters

- **Sustainable access to health care:** When hospitals are strong, communities are strong. When hospital financial conditions trend in the wrong direction, it threatens the sustainability of health care across the state.

- **Significant threats are ahead:** Colorado stands to lose $11 billion in federal funding for the Medicaid program by 2032. And enrollment changes under H.R. 1 will lead to more uninsured patients, which challenges all health care providers.

- **Affordability is an issue:** Colorado hospitals recognize the affordability challenges facing patients and employers and want to be part of the solution. Hospitals alone cannot solve the problem as they too face higher staffing and supply costs, increasing payer denials and delays, and chronic Medicare and Medicaid underpayment complicated by a challenging state budget.