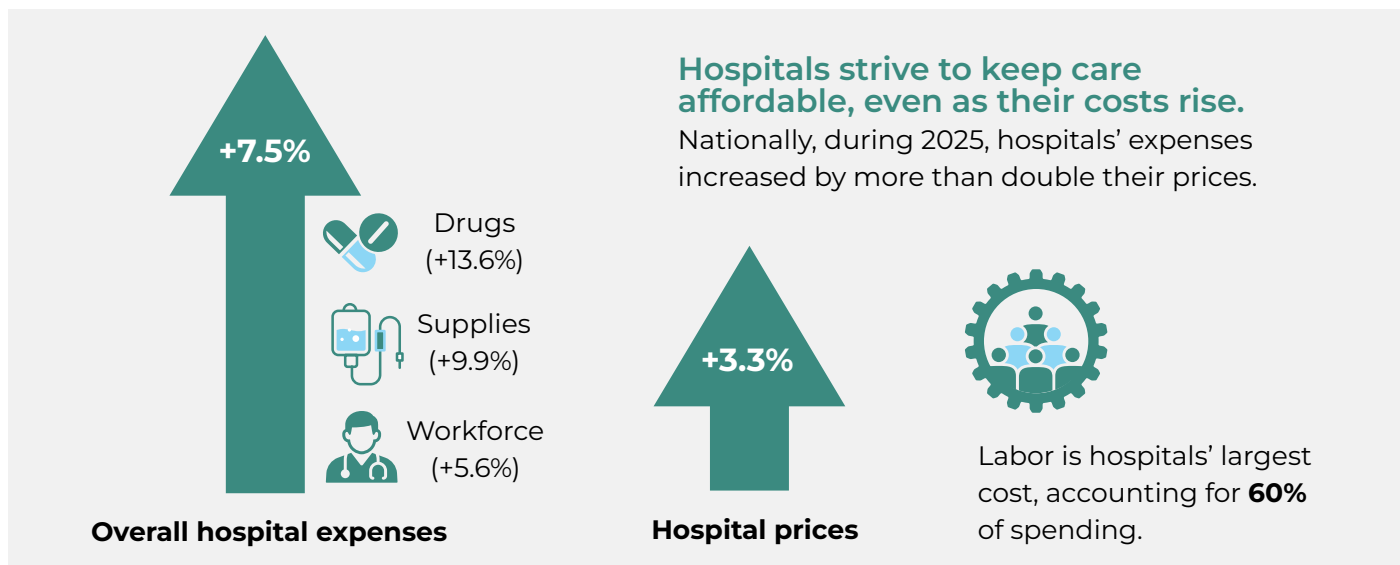
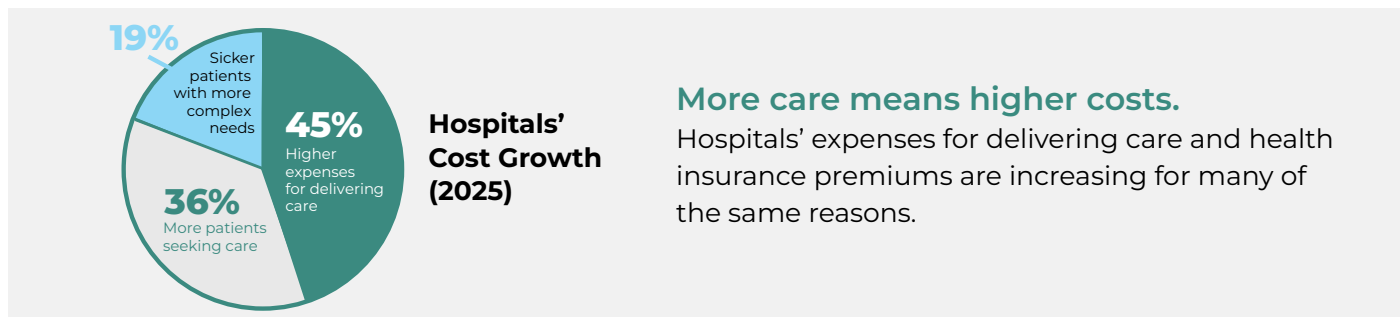


WHAT'S DRIVING PENNSYLVANIA HOSPITALS' COSTS?

Pennsylvania communities depend on accessible, affordable health care. But as hospitals navigate inflation, rising drug costs, and an aging population with more complex needs, their cost to provide care is outpacing the reimbursement that sustains it. **Ensuring accessible, affordable care requires addressing the structural challenges that pressure hospitals' expenses.**



Despite these challenges, Pennsylvania hospitals have worked hard to deliver care more efficiently, keeping cost per discharge **29% lower** than neighboring states. Pennsylvania consistently ranks among the **top 10 states for affordable care**.



This trend is worsening.

Cuts to reimbursement that already doesn't cover costs put hospitals and services at risk. Health insurance coverage losses have started. Across Pennsylvania:



300K+ residents projected to lose Medicaid coverage



202K commercial insurance cancellations since loss of premium subsidies



12-14 hospitals could close by 2030 without policy intervention

When insurance coverage and access decline, more people delay routine care, leading to sicker patients and serious, costly emergencies. This amplifies strain on hospitals, employers, and families.

Sources: American Hospital Association: Costs of Caring, 2026; Oliver Wyman: Time to Act, 2026