

47 Pennsylvania Hospitals Rely on Medicaid to Stay Open

Changes to Medicaid funding or patient eligibility likely to jeopardize access to care

May 21, 2025

Medicaid is important to the financial stability of most hospitals, but, for some hospitals, it is a lifeline. These hospitals are often in communities with a large number of Medicaid patients and they rely on Medicaid payments as a core line of their business. Additionally, many of these hospitals are already struggling financially.

Changes to Medicaid funding would force states to reduce or limit payments to these hospitals, worsening their existing financial vulnerability. Additionally, changes to Medicaid eligibility or enrollment that result in more uninsured patients result in the strain of increased uncompensated care. These combined pressures would likely force these hospitals to consider shuttering core services or even closing, depending on the impact. These closures have a devastating impact on local communities, patients, workers, small businesses and employers.

Over the past 25 years, Pennsylvania has seen 78 closures or reductions in core services statewide (26 in rural counties). As Congress debates proposals that would change Medicaid funding, eligibility, and enrollment, the Pennsylvania Health Access Network (PHAN) sought to identify the hospitals most at-risk. PHAN identified 8 criteria, described in Appendix B, that describe a hospital's likelihood to be impacted. These criteria are:

Criteria that Describe Patient Population

- High Medicaid Enrollment in the County in which the Hospital is Located
- High Number of Patients who are Uninsured or on Medicaid/Medicare
- High Number of Patients who are Low-Income and Eligible for Charity Care

Criteria that Describe Financial Vulnerability

- High Amount of Supplemental Public Funds to Offset Losses
- Medicaid is the Largest or Second largest payer
- Medicaid is more than 20% of Payer Mix
- Medicaid Has a Large Impact on Hospital's Financial Performance
- Days Cash on Hand below 100

One in four Pennsylvania hospitals (47 hospitals) met at least 2 of the criteria and were included on the list in Appendix A. For these hospitals on the list, changes to Medicaid would have a moderate to significant impact on the hospital's financial stability. Seventeen of the hospitals are in rural communities. Each check mark in the table represents a risk factor met by the hospital. Eleven hospitals meet 5 or more criteria and 28 hospitals meet 3 or 4 criteria. Three hospitals included in the analysis have recently closed (and are not included in the 47 remaining hospitals).

Appendix A: Hospitals with Moderate to Significant Risk Factors for Closure due to Medicaid Cuts

Hospital Name	District	County	Rural or Urban	Count	MA Enrollment Above Avg	DSH Patient %	Greatest Loss Without DSH	Charity Care Above Avg	MA is a top payer	MA payer mix >20%	Significant Adjusted Medicaid Loss	Days Cash on Hand <100
Lower Bucks Hospital	PA-01	Bucks	Urban	4			x		x	x		x
Jefferson Einstein Philadelphia Hospital	PA-02	Philadelphia	Urban	5	x	x	x		x	x		
Jefferson Torresdale Health	PA-02	Philadelphia	Urban	2	x		x					
Nazareth Hospital	PA-02	Philadelphia	Urban	7	x	x		x	x	x	x	x
Pennsylvania Hospital	PA-02	Philadelphia	Urban	5	x	x	x		x	x		
St. Christopher's Hospital for Children	PA-02	Philadelphia	Urban	3	x	x						x
Temple University Hospital	PA-02	Philadelphia	Urban	5	x	x			x	x		x
Temple University Hospital Jeanes Campus	PA-02	Philadelphia	Urban	4	x	x	x			x		
Thomas Jefferson University Hospital	PA-02	Philadelphia	Urban	3	x	x	x					
Penn Presbyterian Medical Center	PA-03	Philadelphia	Urban	4	x	x				x		x
Roxborough Memorial Hospital	PA-03	Philadelphia	Urban	5	x	x			x	x	x	
Holy Redeemer Hospital	PA-04	Montgomery	Urban	4		x	x				x	x
Pottstown Hospital	PA-04	Montgomery	Urban	2							x	x
Suburban Community Hospital*	PA-04	Montgomery	Urban	5				x	x	x	x	x
Crozer-Chester Medical Center**	PA-05	Delaware	Urban	5	x	x			x	x		x
Mercy Catholic Medical Center - Mercy Fitzgerald Campus	PA-05	Delaware	Urban	6	x	x	x		x	x		x
Reading Hospital	PA-06	Berks	Urban	3	x					x		x
St. Luke's Easton Campus	PA-07	Northampton	Urban	4				x		x	x	x
St. Luke's Sacred Heart Campus	PA-07	Lehigh	Urban	2	x	x						

Hospital Name	District	County	Rural or Urban	Count	MA Enrollment Above Avg	DSH Patient %	Greatest Loss Without DSH	Charity Care Above Avg	MA is a top payer	MA payer mix >20%	Significant Adjusted Medicaid Loss	Days Cash on Hand <100
Geisinger Community Medical Center	PA-08	Lackawanna	Urban	2	x					x		
Geisinger Wyoming Valley Medical Center	PA-08	Luzerne	Urban	4	x				x	x		x
Lehigh Valley Hospital Hazleton	PA-08	Luzerne	Urban	2	x					x		
Moses Taylor Hospital	PA-08	Lackawanna	Urban	4	x	x				x		x
Endless Mountains Health Systems	PA-09	Susquehanna	Rural	3	x			x				x
Geisinger Bloomsburg Hospital	PA-09	Columbia	Rural	3					x	x		x
Geisinger Medical Center Muncy	PA-09	Lycoming	Rural	4	x	x					x	x
Guthrie Robert Packer Hospital Towanda Campus	PA-09	Bradford	Rural	3	x			x			x	
Lehigh Valley Hospital Schuylkill/South Jackson	PA-09	Schuylkill	Rural	3	x					x		x
St. Luke's Miners Campus	PA-09	Schuylkill	Rural	3	x					x		x
Penn State Health Hampden Medical Center	PA-10	Cumberland	Urban	2							x	x
Penn State Milton S. Hershey Medical Center	PA-10	Dauphin	Urban	3	x		x					x
Lancaster General Hospital	PA-11	Lancaster	Urban	2							x	x
UPMC Magee Women's Hospital	PA-12	Allegheny	Urban	2		x						x
UPMC McKeesport	PA-12	Allegheny	Urban	3		x				x		x
UPMC Mercy	PA-12	Allegheny	Urban	2						x		x
Fulton County Medical Center	PA-13	Fulton	Rural	4	x				x	x	x	
UPMC Altoona	PA-13	Blair	Rural	3	x		x					x
AHN Hempfield Neighborhood Hospital	PA-14	Westmoreland	Urban	4					x	x	x	x

Hospital Name	District	County	Rural or Urban	Count	MA Enrollment Above Avg	DSH Patient %	Greatest Loss Without DSH	Charity Care Above Avg	MA is a top payer	MA payer mix >20%	Significant Adjusted Medicaid Loss	Days Cash on Hand <100
Penn Highlands Connellysville	PA-14	Fayette	Rural	4	x	x			x	x		
UPMC Greene	PA-14	Greene	Rural	5	x				x	x	x	*
WVU Medicine Uniontown Hospital	PA-14	Fayette	Rural	3	x					x		x
Bradford Regional Medical Center	PA-15	Mckean	Rural	4	x	x	x			x		
Bucktail Medical Center	PA-15	Clinton	Rural	6	x			x	x	x	x	x
Clarion Hospital	PA-15	Clarion	Rural	2							x	x
Penn Highlands DuBois	PA-15	Clearfield	Rural	3	x	x						x
LECOM Health Millcreek Community Hospital	PA-16	Erie	Urban	5	x	x			x	x	x	
Titusville Area Hospital	PA-16	Crawford	Rural	3	x					x		x
UPMC Hamot	PA-16	Erie	Urban	3	x		x					x
UPMC Jameson	PA-16	Lawrence	Rural	3	x						x	x
Heritage Valley Kennedy*	PA-17	Allegheny	Urban	2							x	x

Appendix B: Definitions

Title	Definition	Data Source
Hospital Name	Hospital name	
District	Congressional district hospital is located in	
County	County hospital is located in	CMS Hospital Provider Cost Report
Rural or Urban	The hospital is located in a county designated as Rural or Urban	Center for Rural PA
Count	Total number of the 8 criteria that each hospital meets	

MA Enrollment Above Avg	The percentage of the county's total population enrolled in Medicaid is above the statewide average (22%). Indicates a county with high enrollment in Medicaid.	PA DHS Data Dashboards and Reports
DSH Patient %	The Disproportionate Share Hospital (DSH) Patient Percentage is a measure of eligibility for supplemental government payments for hospitals that care for large volumes of uninsured patients and patients on government insurance. This number is taken from the hospital's Medicare Cost Report. Hospitals for which data was available averaged 25.5%. Hospitals meeting this criteria were greater than or equal to 40%.	CMS Hospital Provider Cost Report
Greatest Loss without DSH	Calculated by taking the DSH Payment Amount and dividing it by Net Income from the hospital's Medicare Cost Report. Most hospitals for which data is available are at +0.77%. Hospitals that meet this criteria are generally at a negative net income and rely on DSH payments more to close that gap. To meet this criteria hospitals had a value that would be less than or equal to -3%.	CMS Hospital Provider Cost Report
Charity Care Above Average	Charity Care as a percentage of the total payer mix is greater than 4%. Hospitals for which data is available are around 1.7%. These hospitals are more than double the normal rates. Indicates a hospital that serves mainly lower income patients.	NASHP Hospital Cost Tool
Medicaid is a Top Payer	Medicaid is the first or second highest payer in the payer mix. Medicaid is the third or lower payer in most hospitals. Indicates a hospital more reliant on Medicaid payments.	NASHP Hospital Cost Tool
Medicaid is >20% of Payer Mix	Medicaid payer mix is greater than 20%. Most hospitals for which data is available are about 16%. Indicates a hospital more reliant on Medicaid payments.	NASHP Hospital Cost Tool
Significant Medicaid Loss	This is the Medicaid Operating Profit Margin multiplied by Medicaid Payer Mix for determining net payer impact on hospital financial performance. To meet this criteria hospitals were less than or equal to -8%.	NASHP Hospital Cost Tool
Days Cash on Hand <100	Days Cash on Hand is an important measure of a hospital's financial stability. Most hospitals should have at least 150 days cash on hand. Hospitals that meet this criteria have less than 100 days cash on hand, indicating a higher potential for financial instability.	CMS Hospital Provider Cost Report
* Denotes a hospital closure announced in 2025		