

CHA Key Messages

Integration Creates Seamless Patient Experience, Preserves Access to Care, Lowers Costs

- 1. Hospital integration benefits patients and supports communities in need.**
 - Throughout the nation, and in California, health care providers are joining to integrate care delivery systems so they meet the evolving needs of patients and communities.
 - Integrated systems create a seamless care experience — enabling people to avoid redundant tests, receive care closer to home, have access to specialized services such as organ transplants and trauma care, and benefit from advanced clinical expertise shared across multiple sites.
 - Integrated systems also ensure that struggling hospitals have access to the resources necessary to comply with costly regulations, to pay for new technology that improves patient safety and the quality of care, and to support outreach programs that keep people healthy and active.
- 2. Integration preserves access to care.**
 - The strength of an integrated system can keep financially struggling hospitals — especially those in rural and underserved communities — open and operating when they otherwise might close.
 - Eighty-two hospitals in California that have negative operating margins are supported by integrated systems; three-quarters of the patients at these hospitals are Medicare/Medi-Cal enrollees or receive charity care.
- 3. Integrated hospital systems give patients more choices about how they access care.**
 - Hospital systems that integrate to include a range of specialties, locations, and services offer their patients more choices. Patients no longer have to select one place to receive care, hoping it will meet their needs — instead, they have access to a full spectrum of services and facilities that can be tailored to their unique medical situations.
- 4. Hospital integration holds costs in check.**
 - Seventy-five percent of California’s hospital beds are part of hospital systems, and California ranks as the **ninth lowest state in terms of per capita hospital costs**. (USC Schaeffer)
 - Integration has shown to reduce annual operating expenses by 2.3% for hospitals that join systems. ([Charles River Associates](#))
 - Revenues per admission at hospitals that join systems drop by 3.5% compared to non-merging hospitals. This suggests that savings from integration are passed on to patients and their health plans. ([Charles River Associates](#))

February 2020