



THE GENERAL COURT OF MASSACHUSETTS
STATE HOUSE, BOSTON, 02133-1053

Legislature's Hospital Funding Supplemental Budget Agreement

Directs \$234 Million in Support for Fiscally Strained Hospitals and Community Health Centers

The agreement reached by the Legislature further deepens our commitment to support our most vulnerable populations by bolstering our fiscally strained hospitals and community health centers (CHCs), which are firmly embedded in the fabric of our Commonwealth.

The spending plan directs \$234 million to strengthen hospitals and support community health centers throughout the state as they confront rising health care costs in the face of persistent economic headwinds and an unfriendly federal government.

The [Health Safety Net](#) (HSN) program, which pays acute care hospitals and community health centers (CHCs) for necessary medical services provided to low-income, uninsured, and underinsured Massachusetts residents, is experiencing a widening gap between available funds and the cost of claims submitted to the program as a result of reckless federal policies.

In response, the House and Senate Committees on Ways & Means are addressing the current HSN shortfall and providing critical relief to healthcare providers by making \$234 million available for hospitals and CHCs.

Strengthening Massachusetts Hospital Systems

- The funding agreement makes **\$199 million available for acute care hospitals across the Commonwealth** through an approach that maximizes federal financial reimbursements, stabilizes the Health Safety Net Trust Fund, and makes targeted payments to hospitals to maximize the impact of taxpayer dollars.
 - Provides **\$122 million** in targeted relief payments to acute care hospitals through eligibility criteria designed to maximize the impact of taxpayers' dollars for those hospitals and communities which need it most. The eligibility criteria include:
 - Each hospital's patient mix, prioritizing those which serve the greatest share of the state's low-income population.
 - Each hospital's affordability, prioritizing those which provide the same services at the most affordable prices.

- Each hospital's financial standing, prioritizing those which have the most severe fiscal strain.
- Transfers **\$77 million** into the Health Safety Net Trust Fund to stabilize the program for hospitals providing services to the greatest share of the Commonwealth's vulnerable populations.

Supporting Massachusetts Community Health Centers

- Community health centers support the Commonwealth's greatest share of vulnerable populations at a time when federal funding delays, Medicaid cuts, and rising pharmaceutical and other medical costs are straining CHC budgets.
- The agreement provides **\$35 million** in financial relief to community health centers, including **\$2.5 million** for the Massachusetts League of Community Health Centers to facilitate regional savings initiatives, including shared service options.