

# Appendix A: Methodology details

Our calculation of hospital tax exemption value draws from the methods in the following studies:

- Plummer, E., Socal, M., Bai, G. (2024). Estimation of Tax Benefit of US Nonprofit Hospitals. *JAMA*.
- Godwin, J., Levinson, Z., Hulver, S. (2023). The Estimated Value of Tax Exemption for Nonprofit Hospitals Was About \$28 Billion in 2020. *KFF Health News*.
- Zare, H., Eisenberg, M., Anderson, G. (2022). Comparing the value of community benefit and Tax-Exemption in non-profit hospitals. *Health Services Research*.
- Ernst & Young LLP. (2022). Estimates of the federal revenue forgone due to the tax-exemption of non-profit hospitals compared to the community benefit they provide, 2019. Prepared for the American Hospital Association.
- Herring, B., Gaskin, D. Zare, H., Anderson, G. (2018). Comparing the Value of Nonprofit Hospitals' Tax Exemption to Their Community Benefits. *Inquiry*
- Rosenbaum, S., Kindig, D., Bao, J., Byrns, M., O'Laughlin, C. (2015). The Value Of The Nonprofit Hospital Tax Exemption Was \$24.6 Billion In 2011. *Health Affairs*.

## Methods comparison

We considered the following previous estimates of hospital tax exemption value in building our methodology:

- [Kaiser Family Foundation, 2023](#)
- [American Hospitals Association, 2022](#) (federal tax benefits only)
- [Johns Hopkins Research Team, 2018, 2021](#)
- [Health Affairs, 2015](#)
- [Plummer et al, 2024](#)

## Key findings comparison

Previously published research finds that the estimated value of hospitals' tax exemption ranges from \$12.4 billion to \$37 billion in total, and \$5 million to \$12.8 million on average, depending on the study.

The gap between hospitals' tax exemption value and community benefit spending ranges from \$985 billion more in community benefit to \$20.6 billion more in tax breaks. This measure largely depends on what is counted as "community benefit." No study finds that hospital spending on

financial assistance or community health improvement alone exceeded their tax exemption value.

Method	Health Affairs	Johns Hopkins 2018	Johns Hopkins 2021	AHA	KFF	Plummer et al	Lown
Year reported	2011	2012	2011 - 2018	2019	2011-2020	2021	2020-2022
Number of hospitals included	About 2,980	1,648	1,472	About 2,500	2,753 in 2020 (est. from RAND data set)	2,927	1,879
Tax exemption value	National total: \$24.6 Billion  Average for hospital: \$8.3 M  The value of tax exemption grew from \$12.6B in 2002 to \$24.6 B in 2011, a 57% increase accounting for inflation.	National total: \$18.6 Billion  Average for hospital: \$11.3 M.	National total: \$18.0 billion  Average for hospital: \$12.24 M	National total \$12.4 billion  Average for hospital: About \$5 million	National total: \$28 Billion in 2020.  Average for hospital: \$10.2 million  The value of tax exemption grew from \$19 B in 2011 to \$28 B in 2020, a 45% increase.	National total: \$37.4B  Average per hospital: \$12.8 million	Total for 20 states: \$26.0 B  Estimate for all states: \$36.4 B  Average per hospital: \$14.2 million
Community benefit provided	Total community benefit in 2011: \$62 billion  Avg hospital spending on community benefit: \$20.8 million  Total	Total "incremental" community benefits (spending beyond what for-profits spend): \$31.6 billion  Average "incremental" community benefits per hospital: \$19.2 million	Total "incremental" community benefits (spending beyond what for-profits spend): \$29.4 billion  Average "incremental" community benefits per hospital: \$20 million	Total value of community benefits: \$110.9 billion  Average per hospital: \$44 million	Total financial assistance: \$16 billion in 2020  Average financial assistance: \$5.8 million	n/a	Total meaningful CB: \$22.4B  Average per hospital: \$12.3 M

	<p>spending on community health improvement: \$4 billion</p> <p>Avg hospital spending on community health improvement: \$1.3 million</p>	<p>Total incremental financial assistance: \$9.3 billion</p> <p>Avg incremental financial assistance per hospital: \$5.6 million</p>	<p>Total incremental financial assistance: \$5.6 billion</p> <p>Avg incremental financial assistance per hospital: \$3.8 million</p>				
<p>Tax exemption compared to community benefit</p>	<p>Total community benefit exceeds the tax exemption by \$37.4 billion in total and \$12.5 million.</p> <p>The tax exemption exceeds spending on community health improvement by \$20.6 billion in total and \$7 million on average.</p>	<p>Total incremental community benefit exceeds tax exemption by \$13 billion in total and \$7.9 million on average.</p> <p>The tax exemption value exceeds incremental financial assistance by \$9.3 billion total and \$5.7 million on average.</p>	<p>Total incremental community benefit exceeds tax exemption by \$11.4 billion in total and \$7.76 million on average.</p> <p>The tax exemption value exceeds incremental financial assistance by \$12.4 billion total and \$8.44 million on average.</p>	<p>Total community benefit exceeds the estimated tax revenue forgone by \$985 billion in total and \$39 million on average.</p>	<p>The total estimated value of tax exemption exceeded total estimated charity care costs by \$12 billion in total and \$4.4 million on average.</p>	<p>n/a</p>	<p>The total tax benefits exceeded community investment by \$3.4B in total and \$2.0 million on average.</p>

## Value of hospital tax exemption methods comparison
















<b>Method</b>	<b>Health Affairs</b>	<b>Johns Hopkins</b>	<b>AHA</b>	<b>KFF</b>	<b>Plummer</b>	<b>Lown Institute</b>
Federal income tax	Net patient service income from CMS hospital cost reports, applied effective tax rate	Net income from CMS hospital cost reports, using effective tax rate for health care and social assistance corporations.	Net income from CMS hospital cost reports, adjusted for interest paid, state & local taxes paid, system affiliation, prior year losses from past 10 years, gifts deducted	Net income from CMS hospital cost reports, adjusted for interest paid, state & local taxes paid, value of tax-exempt donations and bonds, system affiliation, prior year (and future year) losses from past 10 years	Net income from CMS hospital cost reports, adjusted for interest paid, state & local taxes paid, system affiliation	Net income from CMS hospital cost reports, adjusted for interest paid, state & local taxes paid, prior year losses from 2019-2021.
State income tax	Net income from CMS hospital cost reports	Net income from CMS hospital cost reports	Not included	Net income from CMS hospital cost reports, adjusted for local taxes paid and prior year losses from past 10 years	Net income from CMS hospital cost reports, adjusted for interest paid, local taxes paid, system affiliation	Net income from CMS hospital cost reports, adjusted for local taxes paid and prior year losses from 2019-2021
State and local sales	State-specific tax rate applied to estimated supply & equipment expenditures	Amount spent on medical supplies, from AHA hospital survey	Not included	Amount spent on medical supplies, from AHA hospital survey	Amount spent on medical supplies, from AHA hospital survey	Amount spent on medical supplies, from AHA hospital survey. 2022 data imputed based on prior year values
Property	Calculated ratio of property tax to net patient revenue for each state using data reported by for-profit hospitals in hospital cost reports. We then applied the state-specific ratios to the net patient revenues of each hospital.	Calculated ratio of property tax to total revenue for each state using data reported by for-profit hospitals in hospital cost reports. We then applied the state-specific ratios to the revenues of each	Not included	Calculated ratio of property tax to expenses for each state using data reported by for-profit hospitals in hospital cost reports. We then applied the state-specific ratios to the net patient revenues of each nonprofit	Calculated Net Book Value of land, buildings, equipment, and inventory from hospital cost reports, using state average property tax rates	Calculated using county-level property assessment data for hospital-owned parcels, missing data imputed using ratio of property taxes paid to expenses from known hospital property values in the state. Equipment

		hospital.		hospital.		costs from hospital cost reports.
Charitable donations	Charitable contributions from IRS 990, excluding government grants and in-kind contributions, assuming 32% marginal tax rate.	Charitable contributions from CMS hospital cost reports, assuming 32% marginal tax rate.	Not included	Charitable contributions from IRS 990, excluding government grants and in-kind contributions, assuming 23% marginal tax rate.	Charitable contributions from CMS cost reports, assuming hospital would receive no donations if for-profit	Charitable contributions from IRS 990, excluding government grants and in-kind contributions, assuming 23% marginal tax rate.
Value of tax-exempt bonds	Outstanding long-term liabilities from IRS form 990, assuming marginal tax rate of 25%	Outstanding long-term liabilities from IRS form 990, assuming marginal tax rate of 28%	Outstanding long-term liabilities from CMS cost reports, assuming marginal tax rate of 30%	Outstanding long-term liabilities from IRS form 990, assuming marginal tax rate of 24%	Outstanding long-term liabilities from CMS cost reports, assuming marginal tax rate of 30%	Outstanding long-term liabilities from IRS form 990, assuming marginal tax rate of 30%
Revenue forgone from unemployment tax exemption	Not included	Not included	Federal unemployment tax is calculated assuming an effective federal unemployment tax rate of 0.5 percent and a maximum wage base of \$7,000 per employee	Not included	Federal unemployment tax is calculated assuming an effective federal unemployment tax rate of 0.06 percent (accounting for exemption due to paying state FUTA) and a maximum wage base of \$7,000 per employee	Federal unemployment tax is calculated assuming an effective federal unemployment tax rate of 0.06 percent (accounting for exemption due to paying state FUTA) and a maximum wage base of \$7,000 per employee

## Value of hospital community investment

To determine Fair Share spending, we include only the following IRS categories of community benefit that are most likely to have a direct and meaningful impact on community health. ([See here for more](#) on why we included only certain categories)

Here is how our definition of meaningful community investment compares to other studies, based on which elements are included.

Category of community benefit	IRS community benefit definition (Sch H part 1)	Johns Hopkins	AHA	KFF	Lown Institute
Financial assistance	 Source: IRS 990 Sch H Part 1	 Measured both in aggregate and as “incremental” spending beyond what for-profits spend	 Source: IRS 990 Sch H Part 1	 Source: CMS hospital cost reports	 Source: IRS 990 Sch H Part 1
Unreimbursed Medicaid costs & other means-tested government programs	 Source: IRS 990 Sch H Part 1	 Measured both in aggregate and as “incremental” spending beyond what for-profits spend	 Source: IRS 990 Sch H Part 1		
Health professions training and research	 Source: IRS 990 Sch H Part 1	 Measured both in aggregate and as “incremental” spending beyond what for-profits spend	 Source: IRS 990 Sch H Part 1		

<p>Subsidized health services</p>	 <p>Source: IRS 990 Sch H Part 1</p>	 <p>Measured both in aggregate and as “incremental” spending beyond what for-profits spend</p>	 <p>Source: IRS 990 Sch H Part 1</p>		 <p>Source: IRS 990 Sch H Part 1</p>
<p>Contributions to community groups</p>	 <p>Source: IRS 990 Sch H Part 1</p>	 <p>Measured both in aggregate and as “incremental” spending beyond what for-profits spend</p>	 <p>Source: IRS 990 Sch H Part 1</p>		 <p>Source: IRS 990, Sch H Part 1</p> <p>Contributions to affiliated universities or physician groups were removed</p>
<p>Community building activities (addressing SDOH)</p>			 <p>Source: IRS 990, Sch H Part 2</p>		 <p>Source: IRS 990, Sch H Part 2</p>
<p>Bad debt attributable to financial assistance</p>			 <p>IRS 990 Sch H Part 3</p>		
<p>Medicare shortfall</p>			 <p>IRS 990 Sch H Part 3</p>		

# Federal & state corporate income tax exemptions

We applied the national corporate income tax rate of 21% and state-specific tax rates to hospital net income from CMS hospital cost reports (HCRIS) for fiscal years ending in 2020-2022.<sup>1</sup> For any hospitals with negative net income, net income was set to \$0.

To estimate taxable net income, we made the following adjustments, based on methods from Plummer (2024) and Godwin (2023):

- Prior year losses going back to 2019 were applied to future years of income for federal and state income tax in states where prior year loss carryover is allowed.<sup>2</sup>
- Taxes the hospital would have paid and the value of other tax benefits (value of donations, lower interest rate on bonds) were deducted from income.

## State corporate income tax rates as applicable to nonprofit hospitals

State	Corporate income tax rate	Net Loss Carryforward	Source(s)
California	8.84%	No carryforward for 2020-2022	<a href="#">State of CA Franchise Tax Board, 2024</a> <a href="#">Vermeer, 2022</a>
Colorado	4.63% in 2020 4.55% in 2021-22	No carryforward for 2020-2022	<a href="#">Colorado General Assembly, 2023</a>
Florida	4.458% in 2020-21 5.50% in 2022	carryforward matches federal rules	<a href="#">Florida Department of Revenue, n.d.</a> <a href="#">Florida Department of Revenue, 2021</a>
Georgia	5.75%	No carryforward for 2020-2022	<a href="#">Department of Revenue, n.d.</a>
Illinois	9.50%	For 2021-2022 carryforward is limited to \$100,000	<a href="#">Illinois Department of Revenue, 2024</a> <a href="#">Illinois Department of Revenue, 2024</a>

<sup>1</sup> HCRIS data for this report was pulled on 05-21-2024. Future refreshes of HCRIS data may have updated numbers.

<sup>2</sup> Prior year loss allowed up to 80% of net income for federal income tax in 2021 and 2022. For 2020, prior year losses had no limit due to a CARES Act provision.



Indiana	5.50% in 2020 5.25% in 2021 4.90% in 2022	No carryforward for 2020-2022	<a href="#">Indiana Department of Revenue, 2020b</a>
Iowa	Graduated rate: 6% to 12% in 2020 5.5% to 9.8% in 2021 5.5% to 8.4% in 2022	No carryforward cap	<a href="#">Iowa Department of Revenue, n.d.</a>  <a href="#">Iowa Department of Revenue, n.d.</a>
Louisiana	Graduated rate: 4% to 8% in 2020-2021; 3.5% to 7.5% in 2022	Carryforward limited to lesser of 72% of loss or 72% of net income	<a href="#">Louisiana Department of Revenue, n.d.</a>  <a href="#">Vermeer, 2022</a>  <a href="#">PricewaterhouseCooper, 2021</a>
Maryland	8.25%	No carryforward for 2020-2022	<a href="#">Maryland Department of Commerce, n.d.</a>
Massachusetts	8.00%	No carryforward cap	<a href="#">Tax Foundation, 2024</a>
Michigan	6.00%	Carryforward capped at 80% of net income for 2021 and 2022	<a href="#">Michigan Department of Treasury, 2024</a>  <a href="#">Michigan Department of Treasury, 2022</a>
Minnesota	9.80%	Carryforward limited to 80% of taxable income	<a href="#">Michael, 2015</a>  <a href="#">Minnesota Department of Revenue, 2024</a>
New York	6.50% in 2020-2021  Graduated rate from 6.5% to 7.25% in 2022	No carryforward for 2020-2022	<a href="#">Tax Foundation, 2024</a>  <a href="#">New York Department of Taxation and Finance, 2024</a>
North Carolina	2.50%	Carryforward cannot exceed total taxable income	<a href="#">North Carolina Department of Revenue, n.d.</a>  <a href="#">North Carolina</a>

			<a href="#">General Assembly, 2024</a>
Ohio	Commercial Activity Tax: \$150 for first \$1 million in revenue, 0.26% on gross receipts after \$1 million  (no corporate income tax)	n/a	<a href="#">Ohio Department of Taxation, 2024</a>
Oregon	Graduated rate from 6.6% to 7.6%  (There is a Commercial Activities Tax but hospitals are exempt)	Carryforward is applicable for 15 years.	<a href="#">Oregon Department of Revenue, n.d.</a>
Pennsylvania	9.99% in 2020-21 8.99% in 2022	Only 40% of losses may be carried forward	<a href="#">Pennsylvania Department of Revenue, 2021</a>  <a href="#">Pennsylvania Department of Revenue, 2024a</a>  <a href="#">Vermeer, 2022</a>
Tennessee	6.50%	No carryforward cap	<a href="#">Tennessee Department of Revenue, n.d.</a>
Texas	n/a (no corporate income tax; gross receipts tax does not apply to hospitals)	n/a	<a href="#">Tax Foundation, 2024</a>
Wisconsin	7.90%	No carryforward cap	<a href="#">State of Wisconsin Department of Revenue, 2023</a>  <a href="#">State of Wisconsin Department of Revenue, 2024</a>

## State and local sales tax exemption

We applied state and local sales tax rates to hospital spending on medical supplies, sourced from the American Hospitals Association (AHA) Survey total supply expense. AHA data was available for years 2020-2021. For 2022, we estimated supply expenses based on a given hospitals' previous supply expenses as a share of total operating expenses in prior years. For hospitals with missing AHA data, supply expenses were imputed based on the median share of total operating expenses spent on supplies for other hospitals in that state.

### State local and sales tax rates as applicable to nonprofit hospitals

State	State sales tax rate	Local sales tax rate	Source
California	n/a (hospitals not exempt)	n/a (hospitals not exempt)	<a href="#">California Department of Tax and Fee Administration, 2022</a>
Colorado	2.90%	Combined sales tax rate ranges from 4.9% to 9.4% depending on municipality	<a href="#">Colorado General Assembly, n.d.</a> <a href="#">Colorado Department of Revenue Taxation Division, 2024</a>
Florida	6.00%	Combined sales tax rate ranges from 6% to 7.5% depending on municipality	<a href="#">Florida Department of Revenue, n.d.</a> <a href="#">Florida Department of Revenue, n.d.</a>
Georgia	4.00%	Combined sales tax rate ranges from 6% to 9% depending on municipality	<a href="#">Department of Revenue, 2024</a>
Illinois	6.25%	Combined sales tax rate ranges from 6.25% to 9% depending on municipality	<a href="#">Illinois Department of Revenue, 2024</a> <a href="#">Illinois Department of Revenue, 2024</a>
Indiana	7.00%	State does not levy any local sales taxes	<a href="#">Indiana Department of Revenue, 2020</a> <a href="#">Tax Foundation, 2024</a>

Iowa	6.00%	Combined sales tax rate ranges from 6% to 7% depending on municipality	<a href="#">Iowa Department of Revenue, 2022</a>
Louisiana	n/a (hospitals not exempt)	n/a (hospitals not exempt)	<a href="#">Louisiana Department of Revenue, 2019</a>
Maryland	6.00%	State does not levy any local sales taxes	<a href="#">Comptroller of Maryland, 2024</a> <a href="#">Tax Foundation, 2024</a>
Massachusetts	6.25%	State does not levy any local sales taxes	<a href="#">Massachusetts Department of Revenue, 2024</a> <a href="#">Tax Foundation, 2024</a>
Michigan	6.00%	State does not levy any local sales taxes	<a href="#">Michigan Department of Treasury, 2024</a>
Minnesota	6.88%	Combined sales tax rate ranges from 6.9% to 8.9% depending on municipality	<a href="#">Minnesota Department of Revenue, 2023</a>
New York	4.00%	Combined sales tax rate ranges from 7% to 8.9% depending on municipality	<a href="#">New York Department of Taxation and Finance, 2023</a>
North Carolina	4.75% (hospitals not exempt from sales tax although they may receive a refund later)	Combined sales tax rate of 7.00% (hospitals not exempt from sales tax although they may receive a refund later)	<a href="#">North Carolina Department of Revenue, 2022</a>
Ohio	5.75%	Combined sales tax rate ranges from 6.5% to 8% depending on municipality	<a href="#">Ohio Department of Taxation, n.d.</a>
Oregon	n/a (no sales tax,	n/a (no sales tax,	<a href="#">Oregon Department</a>

	corporate activity tax does not apply to hospitals)	corporate activity tax does not apply to hospitals)	<a href="#">of Revenue, n.d.</a>
Pennsylvania	6.00%	By law, a 1% local tax is added to purchases made in Allegheny County, and 2% local tax is added to purchases made in Philadelphia	<a href="#">Pennsylvania Department of Revenue, 2024</a>
Tennessee	7.00%  Counties and regional transit authorities may levy additional sales and use taxes.	Combined sales tax rate ranges from 8.5% to 9.8% depending on municipality	<a href="#">Tennessee Department of Revenue, n.d.</a>
Texas	6.25%	Combined sales tax rate ranges from 6.8% to 8.3% depending on municipality	<a href="#">Texas Comptroller, n.d.</a>
Wisconsin	5.00%	State does not levy any local sales taxes	<a href="#">State of Wisconsin Department of Revenue, 2023</a>

### Property tax exemption

We accessed municipal-level property assessment data to calculate the value of hospitals’ real property tax exemptions and CMS hospital cost report data for equipment and inventory value in states where these are taxed. We assigned parcels to hospitals based on their CMS Care Compare address and allocated other tax-exempt parcels in the same county with the same owner name to that hospital. Parcels with the system owner name only were allocated to the closest hospital in that system. We used property assessment data from 2022 when available or the closest year available. Local property tax rates were obtained from county assessment portals or websites. In Wisconsin, Illinois, and Michigan, property value data was largely unavailable for hospitals, as tax-exempt parcels are not regularly assessed; in these states, most property data was imputed.

Hospitals with property owned by the city or county were marked as having no property tax exemption, including hospitals with property owned by a public entity known as a “Hospital

Authority” (as is common in California, Georgia, and North Carolina). Hospitals with property owned by a for-profit entity (common in Texas) were marked as having no property tax exemption. For hospitals without property assessment data available, we estimated this value using the median ratio of property tax exemption to operating expenses for that state.

In Wisconsin, Illinois, and Michigan, property value data was largely unavailable for hospitals, as tax-exempt parcels are not regularly assessed. For Wisconsin, the estimated value of hospital property was obtained for 41% of hospitals through municipal data that requires hospitals to report fair market value ranges per-parcel<sup>3</sup>; the rest were imputed based on the national median ratio of property tax exemption to operating expenses. In Illinois, the value of the property tax exemption for 40% of hospitals was obtained through municipal data that requires hospitals to report the value of their property tax exemption<sup>4</sup>; the rest were imputed based on the national median ratio. For Michigan hospitals, all values were imputed based on the national median ratio.

## Lower interest payment on bonds

Nonprofit hospitals benefit from being able to issue tax-exempt bonds because they can offer a lower interest rate to investors. To estimate the difference between taxable and non-taxable interest rates, we first estimated the average corporate interest rate from 2020-2022 using the Moody’s Seasoned AAA and BAA Indices (Federal Reserve Bank of St Louis, 2024b, 2024a). We then calculated the interest rate for nonprofit hospital bonds, assuming that average bond interest rates for nonprofit hospitals are equal to the after-tax bond interest rates among for-profit hospitals. We used a marginal tax rate of 30%, following the method used by Ernst & Young (Ernst & Young, 2022). The difference between the average corporate bond yield and tax-exempt bond yield was applied to hospitals’ total outstanding bond liability, obtained from IRS Form 990 Part X Line 20.

For hospitals that filed under the same tax ID, we prorated bond values based on the hospital’s share of hospital system patient revenue. For hospitals that filed with a Schedule E on their 990, we imputed bond values based on the median ratio of tax-exempt bond value as a share of total expenses. In some cases, hospitals reported no bond liability on their 990 but reported bond liability on a 990 for a related healthcare nonprofit organization; when the bond issuances for the hospital or system could be confirmed, we applied the imputed bond ratio.

## Charitable donations

If hospitals were for-profit, donations to the hospital would not be tax-exempt, which is a considerable benefit to hospitals. We used charitable donations from IRS Form 990 Part VIII, excluding government grants and non-cash contributions, following Godwin (2023) and

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<sup>3</sup> Using forms PC-220 and PC-220A ([Source](#))

<sup>4</sup> Using forms PTAX-300-HA or PTAX-300 ([Source](#))

Rosenbaum (2015). Following the methods of Godwin (2023), we assumed a marginal tax rate of 23%, which was applied to the total donation value. For hospitals that file under the same tax ID, we prorated charitable donation values based on share of system revenue. For hospitals that included a Schedule E on their 990, we estimated the amount of donations for the hospital based on the share of program revenue from patient services, discounting donations meant for the university.

## Federal unemployment tax

Hospitals are exempt from paying federal unemployment tax (FUTA) as a result of their nonprofit status. We calculated hospitals' forgone FUTA using their number of full-time employees from hospital cost reports, multiplying by \$7,000 per employee and then by the 0.06% rate. We assumed hospitals paid state unemployment taxes and took the full exemption from FUTA, following Plummer et al (2024) and Ernst & Young (2022).

# Appendix B: Additional results

## Individual hospital results

### Hospitals with highest incomes

Federal income tax represented a large share of the total hospital tax exemption; however, hospitals' net income varied considerably. While some hospitals made hundreds of millions each year, others were in the red every year. Here are the hospitals with the greatest net income on average across fiscal year ending 2020-2022, based on hospital cost reports.

<b>Hospital</b>	<b>Net income (average, 2020-2022)</b>
Mayo Clinic Hospital, Saint Marys Campus (MN)*	\$1.01 billion
IU Health Methodist Hospital (IN)^	\$555 million
Cleveland Clinic Main Campus (OH)*	\$525 million
Tisch Hospital (NY)^	\$517 million
Cedars-Sinai Medical Center (CA)	\$486 million
AdventHealth Orlando (FL)**	\$432 million
Baylor University Medical Center (TX)*	\$412 million
New York-Presbyterian Hospital (NY)^	\$409 million
Orlando Health Orlando Regional Medical Center (FL)**	\$404 million
Hospital of the University of Pennsylvania (PA)^	\$384 million

\*IRS information prorated across multiple hospitals based on share of system revenue

^Includes more than one hospital campus within same CMS ID

### Hospitals that made at least \$1 billion in a single year

Six of the hospitals in our data set made \$1 billion at least one year from 2020-2022. The Mayo Clinic is included twice on this list because they made over \$1 billion in two of the three years studied. Data was sourced from CMS hospital cost reports.



<b>Hospital</b>	<b>Year</b>	<b>Net income</b>
New York-Presbyterian Hospital (NY)^	2021	\$1.5 billion
Cleveland Clinic Main Campus (OH)*	2021	\$1.3 billion
Evanston Hospital (IL)^	2021	\$1.3 billion
Carle Health Methodist Hospital (IL)	2020	\$1.2 billion
Mayo Clinic Hospital, Saint Marys Campus (MN)*	2022	\$1.1 billion
IU Health Methodist Hospital (IN)^	2020	\$1.1 billion
Mayo Clinic Hospital, Saint Marys Campus (MN)*	2021	\$1.1 billion

\*IRS information prorated across multiple hospitals based on share of system revenue

^Includes more than one hospital campus within same CMS ID

## Hospitals with the highest donations

The value of tax-exempt donations represent about one-tenth of the overall tax exemption, with a handful of hospitals making up an outsized proportion of the total. The following hospitals reported receiving the largest benefit of tax-exempt donations on average from 2020-2022. Data was sourced from IRS Form 990, excluding government grants and in-kind contributions. For hospitals that file as a group, donations were prorated based on hospitals' share of system revenue. The average marginal tax rate for donors was applied to estimate the benefit of tax-exempt status on donations.

<b>Hospital</b>	<b>Benefit of tax-exempt donations (average, 2020-2022)</b>
Massachusetts General Hospital (MA)*	\$294 million
Brigham and Women's Hospital (MA)*	\$224 million
Hospital of the University of Pennsylvania (PA)^	\$121 million
Cedars-Sinai Medical Center (CA)	\$65 million
Boston Children's Hospital (MA)	\$63 million
Nationwide Children's Hospital (OH)*	\$48 million
Newton-Wellesley Hospital (MA)*	\$45 million
Mayo Clinic Hospital, Saint Marys Campus (MN)*	\$43 million
Salem Hospital (MA)*	\$42 million

Children's Hospital of Philadelphia (PA)^	\$40 million
Cincinnati Children's Hospital (OH)^	\$35 million
Tisch Hospital (NY)^	\$33 million
Cleveland Clinic Main Campus (OH)*	\$32 million
New York-Presbyterian Hospital (NY)^	\$31 million

\*IRS information prorated across multiple hospitals based on share of system revenue

^Includes more than one hospital campus within same CMS ID

## Hospitals with highest overall tax benefits

Academic medical centers in major metropolitan areas such as Boston, Los Angeles, New York City, and Orlando enjoyed notable annual tax benefits as a result of their nonprofit status. The following hospitals reflect those with the greatest annual tax benefit on average from 2020-2022. These hospitals make up about 12% of the total annual tax exemption across all 20 states.

<b>Hospital</b>	<b>Per year tax benefit (average, 2020-2022)</b>
New York-Presbyterian Hospital (NY)^	\$422 million
Massachusetts General Hospital (MA)*	\$415 million
Mayo Clinic Hospital, Saint Marys Campus (MN)*	\$338 million
Cleveland Clinic Main Campus (OH)*	\$307 million
Brigham and Women's Hospital (MA)*	\$292 million
Tisch Hospital (NY)^	\$288 million
Hospital of the University of Pennsylvania (PA)^	\$255 million
IU Health Methodist Hospital (IN)^	\$231 million
AdventHealth Orlando (FL)**^	\$230 million
Cedars-Sinai Medical Center (CA)	\$218 million

\*IRS information prorated across multiple hospitals based on share of system revenue

^Includes more than one hospital campus within same CMS ID

## Hospitals with highest overall community investment

Of the ten hospitals with highest community investment spending, five are in New York state. Three of the hospitals with the greatest average annual tax exemption also reported the most spending on community investment.

<b>Hospital</b>	<b>Per year community investment spending (average, 2020-2022)</b>
New York-Presbyterian Hospital (NY)^	\$363 million
North Shore University Hospital (NY)^	\$269 million
Long Island Jewish Medical Center (NY)^	\$237 million
AdventHealth Orlando (FL)*^	\$215 million
Tisch Hospital (NY)^	\$195 million
Grady Memorial Hospital (GA)*^	\$191 million
The Mount Sinai Hospital (NY)^	\$185 million
Ochsner Medical Center - New Orleans (LA)*^	\$158 million
Houston Methodist Hospital (TX)	\$149 million
Northside Hospital Atlanta (GA)*	\$144 million

\*IRS information prorated across multiple hospitals based on share of system revenue

^Includes more than one hospital campus within same CMS ID

## State results

Breakdown of tax benefits by state and category, average per year 2020-2022

<b>State</b>	<b>TE Component</b>	<b>Total \$</b>	<b>% of total</b>
California	Federal income tax	\$982 million	35%
	State income tax	\$480 million	17%
	Property tax	\$721 million	26%
	Sales tax	\$0	0%
	Donations	\$385 million	14%
	Bonds	\$234 million	8%
	FUTA	\$11 million	0.4%

	Total	\$2.8 billion	100%
Colorado	Federal income tax	\$160 million	28%
	State income tax	\$36 million	6%
	Property tax	\$205 million	36%
	Sales tax	\$111 million	19%
	Donations	\$28 million	5%
	Bonds	\$29 million	5%
	FUTA	\$2 million	0.3%
	Total	\$571 million	100%
Florida	Federal income tax	\$533 million	32%
	State income tax	\$124 million	7%
	Property tax	\$311 million	18%
	Sales tax	\$426 million	25%
	Donations	\$111 million	7%
	Bonds	\$176 million	10%
	FUTA	\$7 million	0.4%
	Total	\$1.7 billion	100%
Georgia	Federal income tax	\$539 million	41%
	State income tax	\$157 million	12%
	Property tax	\$154 million	12%
	Sales tax	\$252 million	19%
	Donations	\$139 million	11%
	Bonds	\$59 million	4%
	FUTA	\$5 million	0.3%
	Total	\$1.3 billion	100%

Illinois	Federal income tax	\$819 million	36%
	State income tax	\$332 million	15%
	Property tax	\$448 million	20%
	Sales tax	\$402 million	18%
	Donations	\$135 million	6%
	Bonds	\$126 million	6%
	FUTA	\$7 million	0.3%
	Total	\$2.3 billion	100%
Indiana	Federal income tax	\$654 million	51%
	State income tax	\$173 million	13%
	Property tax	\$223 million	17%
	Sales tax	\$149 million	12%
	Donations	\$15 million	1%
	Bonds	\$64 million	5%
	FUTA	\$3 million	0.2%
	Total	\$1.3 billion	100%
Iowa	Federal income tax	\$71 million	21%
	State income tax	\$38 million	12%
	Property tax	\$113 million	34%
	Sales tax	\$66 million	20%
	Donations	\$27 million	8%
	Bonds	\$15 million	5%
	FUTA	\$1 million	0.4%
	Total	\$331 million	100%
Louisiana	Federal income tax	\$189 million	31%

	State income tax	\$78 million	13%
	Property tax	\$270 million	44%
	Sales tax	\$0	0%
	Donations	\$46 million	7%
	Bonds	\$34 million	6%
	FUTA	\$2 million	0.4%
	Total	\$619 million	100%
	Federal income tax	\$132 million	23%
	State income tax	\$57 million	10%
	Property tax	\$158 million	27%
	Sales tax	\$149 million	25%
	Donations	\$29 million	5%
	Bonds	\$58 million	10%
	FUTA	\$4 million	0.6%
Maryland	Total	\$587 million	100%
	Federal income tax	\$143 million	9%
	State income tax	\$59 million	4%
	Property tax	\$385 million	23%
	Sales tax	\$229 million	14%
	Donations	\$782 million	47%
	Bonds	\$77 million	5%
	FUTA	\$6 million	0.3%
Massachusetts	Total	\$1.7 billion	100%
	Federal income tax	\$333 million	32%
Michigan	State income tax	\$101 million	10%

	Property tax	\$265 million	25%
	Sales tax	\$218 million	21%
	Donations	\$48 million	5%
	Bonds	\$73 million	7%
	FUTA	\$6 million	0.6%
	Total	\$1.04 billion	100%
Minnesota	Federal income tax	\$325 million	37%
	State income tax	\$168 million	19%
	Property tax	\$95 million	11%
	Sales tax	\$136 million	16%
	Donations	\$93 million	11%
	Bonds	\$54 million	6%
	FUTA	\$4 million	0.4%
	Total	\$876 million	100%
New York	Federal income tax	\$292 million	12%
	State income tax	\$96 million	4%
	Property tax	\$723 million	31%
	Sales tax	\$950 million	40%
	Donations	\$210 million	9%
	Bonds	\$85 million	4%
	FUTA	\$14 million	0.6%
	Total	\$2.4 billion	100%
North Carolina	Federal income tax	\$262 million	39%
	State income tax	\$32 million	5%
	Property tax	\$109 million	16%

	Sales tax	\$202 million	30%
	Donations	\$16 million	2%
	Bonds	\$53 million	8%
	FUTA	\$4 million	0.6%
	Total	\$678 million	100%
Ohio	Federal income tax	\$887 million	41%
	State gross receipts tax	\$111 million	5%
	Property tax	\$419 million	19%
	Sales tax	\$393 million	18%
	Donations	\$172 million	8%
	Bonds	\$185 million	9%
	FUTA	\$8 million	0.4%
	Total	\$2.2 billion	100%
Oregon	Federal income tax	\$114 million	38%
	State income tax	\$44 million	15%
	Property tax	\$86 million	29%
	Sales tax	\$0	0%
	Donations	\$17 million	6%
	Bonds	\$38 million	13%
	FUTA	\$2 million	0.5%
	Total	\$301 million	100%
Pennsylvania	Federal income tax	\$594 million	29%
	State income tax	\$315 million	15%
	Property tax	\$326 million	16%



	Sales tax	\$426 million	21%
	Donations	\$241 million	12%
	Bonds	\$137 million	7%
	FUTA	\$9 million	0.4%
	Total	\$2.05 billion	100%
Tennessee	Federal income tax	\$68 million	16%
	State income tax	\$22 million	5%
	Property tax	\$106 million	26%
	Sales tax	\$171 million	41%
	Donations	\$30 million	7%
	Bonds	\$15 million	4%
	FUTA	\$3 million	0.7%
	Total	\$415 million	100%
Texas	Federal income tax	\$856 million	40%
	State franchise tax	\$88 million	4%
	Property tax	\$525 million	25%
	Sales tax	\$449 million	21%
	Donations	\$88 million	4%
	Bonds	\$104 million	5%
	FUTA	\$7 million	0.4%
	Total	\$2.1 billion	100%
Wisconsin	Federal income tax	\$390 million	46%
	State income tax	\$159 million	19%
	Property tax	\$114 million	13%
	Sales tax	\$91 million	11%

	Donations	\$39 million	5%
	Bonds	\$51 million	6%
	FUTA	\$3 million	0.4%
	Total	\$847 million	100%
<b>Total</b>	Federal income tax	\$8.3 billion	32%
	State income tax	\$2.7 billion	10%
	Property tax	\$5.8 billion	22%
	Sales tax	\$4.8 billion	19%
	Donations	\$2.7 billion	10%
	Bonds	\$1.7 billion	6%
	FUTA	\$106 million	0.4%
	Total	\$26.02 billion	100%

Breakdown of community investment by state and category, average per year 2020-2022

State	Community investment component	Total spending	% of total
California	Financial assistance	\$753 million	41%
	Community health improvement	\$316 million	17%
	Subsidized services	\$504 million	28%
	Contributions	\$210 million	12%
	Community building	\$37 million	2%
	Total	\$1.8 billion	100%
Colorado	Financial assistance	\$141 million	50%

	Community health improvement	\$46 million	16%
	Subsidized services	\$79 million	28%
	Contributions	\$16 million	6%
	Community building	\$3 million	0.9%
	Total	\$285 million	100%
Florida	Financial assistance	\$1.2 billion	67%
	Community health improvement	\$217 million	12%
	Subsidized services	\$230 million	13%
	Contributions	\$34 million	2%
	Community building	\$121 million	7%
	Total	\$1.8 billion	100%
Georgia	Financial assistance	\$1.2 billion	67%
	Community health improvement	\$88 million	5%
	Subsidized services	\$492 million	27%
	Contributions	\$15 million	0.8%
	Community building	\$4 million	0.2%
	Total	\$1.8 billion	100%
Illinois	Financial assistance	\$617 million	44%
	Community health improvement	\$124 million	9%
	Subsidized services	\$564 million	40%
	Contributions	\$94 million	7%
	Community building	\$18 million	1.3%
	Total	\$1.4 million	100%
Indiana	Financial assistance	\$328 million	47%
	Community health improvement	\$155 million	22%

	Subsidized services	\$168 million	24%
	Contributions	\$34 million	5%
	Community building	\$17 million	2%
	Total	\$702 million	100%
Iowa	Financial assistance	\$61 million	29%
	Community health improvement	\$17 million	8%
	Subsidized services	\$91 million	43%
	Contributions	\$39 million	18%
	Community building	\$4 million	2%
	Total	\$212 million	100%
Louisiana	Financial assistance	\$105 million	26%
	Community health improvement	\$29 million	7%
	Subsidized services	\$235 million	58%
	Contributions	\$37 million	9%
	Community building	\$1 million	0.2%
	Total	\$407 million	100%
Maryland	Financial assistance	\$318 million	28%
	Community health improvement	\$215 million	19%
	Subsidized services	\$551 million	49%
	Contributions	\$16 million	1.4%
	Community building	\$30 million	3%
	Total	\$1.1 billion	100%
Massachusetts	Financial assistance	\$310 million	31%
	Community health improvement	\$112 million	11%
	Subsidized services	\$473 million	48%

	Contributions	\$47 million	5%
	PILOT payments	\$30 million	3%
	Community building	\$18 million	2%
	Total	\$990 million	100%
Michigan	Financial assistance	\$197 million	39%
	Community health improvement	\$69 million	14%
	Subsidized services	\$212 million	42%
	Contributions	\$18 million	4%
	Community building	\$8 million	2%
	Total	\$505 million	100%
Minnesota	Financial assistance	\$173 million	33%
	Community health improvement	\$70 million	13%
	Subsidized services	\$256 million	49%
	Contributions	\$14 million	3%
	Community building	\$6 million	1%
	Total	\$519 million	100%
New York	Financial assistance	\$786 million	23%
	Community health improvement	\$600 million	17%
	Subsidized services	\$2.03 billion	58%
	Contributions	\$43 million	1%
	Community building	\$20 million	0.6%
	Total	\$3.5 billion	100%
North Carolina	Financial assistance	\$776 million	81%
	Community health improvement	\$43 million	4.48%
	Subsidized services	\$84 million	9%

	Contributions	\$44 million	5%
	Community building	\$13 million	1%
	Total	\$960 million	100%
Ohio	Financial assistance	\$475 million	43%
	Community health improvement	\$208 million	19%
	Subsidized services	\$307 million	28%
	Contributions	\$97 million	9%
	Community building	\$11 million	1.0%
	Total	\$1.1 billion	100%
Oregon	Financial assistance	\$196 million	45%
	Community health improvement	\$53 million	12%
	Subsidized services	\$159 million	37%
	Contributions	\$17 million	4%
	Community building	\$7 million	2%
	Total	\$432 million	100%
Pennsylvania	Financial assistance	\$359 million	27%
	Community health improvement	\$223 million	17%
	Subsidized services	\$672 million	51%
	Contributions	\$59 million	4%
	Community building	\$14 million	1%
	Total	\$1.3 billion	100%
Tennessee	Financial assistance	\$526 million	75%
	Community health improvement	\$26 million	4%
	Subsidized services	\$133 million	19%
	Contributions	\$15 million	2%

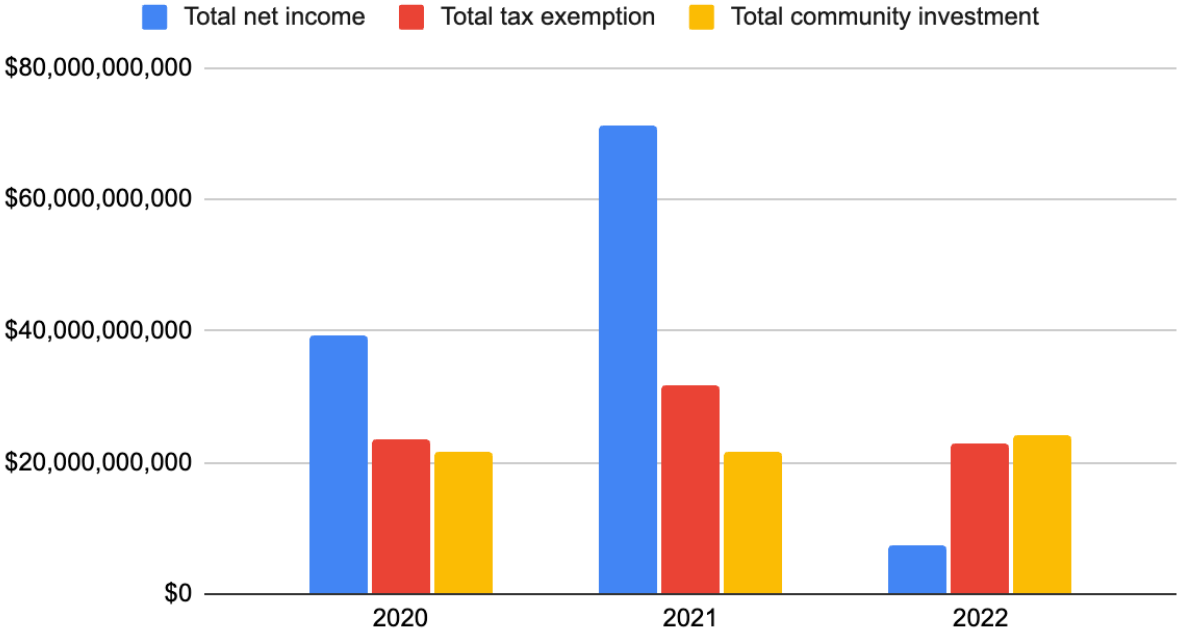
	Community building	\$5 million	0.7%
	Total	\$706 million	100%
Texas	Financial assistance	\$1.9 billion	82%
	Community health improvement	\$115 million	5%
	Subsidized services	\$225 million	10%
	Contributions	\$86 million	4%
	Community building	\$11 million	0.5%
	Total	\$2.4 billion	100%
Wisconsin	Financial assistance	\$156 million	34%
	Community health improvement	\$61 million	13%
	Subsidized services	\$202 million	44%
	Contributions	\$24 million	5%
	Community building	\$14 million	3%
	Total	\$457 million	100%
Total	Financial assistance	\$10.6 billion	47%
	Community health improvement	\$2.8 billion	12%
	Subsidized services	\$7.7 billion	34%
	Contributions	\$961 million	4%
	Community building	\$362 million	2%
	Total	\$22.4 billion	100%

### Trends in Fair Share spending

Year by year comparison of hospital tax benefits and community investment

The total value of hospital tax benefits varied depending on hospitals' net income by year. For example, hospitals in these states received a total of \$80 billion in positive net income in 2021, compared to \$48 billion in 2020 and \$33 billion in 2022, resulting in a higher tax exemption value that year. In almost every state, the tax exemption value was highest in 2021. Community investment spending was more stable across years, ranging from \$21.5 billion in 2020 to \$24.2 billion in 2022.

### Hospitals had highest income and tax exemption in 2021





# Appendix C: State policies around financial assistance and community benefit

A summary of notable state policies regulating hospital financial assistance policies and community benefit requirements, and other medical debt protections. Unless otherwise specified, sources are:

- [National Academy for State Health Policy, 2024](#)
- [Commonwealth Fund, 2023](#)
- [Community Catalyst, 2023](#)

State	Financial assistance requirements and collection regulations	Community benefit spending and reporting requirements
California	<p>General acute care hospitals required to provide free or discounted care for patients making up to 400% FPL, depending on insurance status and size of medical bill (increased from 350% to 400% in 2022).</p> <p>Hospitals not allowed to consider the monetary assets of a patient in determining eligibility for both charity care and discount payment policies.</p> <p>Prohibition of medical debt on credit reports or primary care liens. Wage garnishments are prohibited for patients eligible for financial assistance and limited for others.</p>	<p>Hospitals required to submit their community health needs assessment and community benefit plan to the state, including economic value of community benefits and how community needs are being addressed.</p> <p>Hospitals also required to submit an annual equity report to the department. This equity report must include, among other things, an analysis of health status and access to care disparities on the basis of specified categories, including age, sex, and race, and a health equity plan to reduce disparities (passed in 2022)</p>
Colorado	<p>Hospitals required to offer discounted care for patients with household income up to 250% FPL.</p> <p>Hospitals required to screen all uninsured patients for financial assistance, and all insured patients upon request before sending debt to collections or pursuing an extraordinary collection action.</p> <p>Medical debt is not allowed to be included on credit reports. Foreclosure on primary residence for medical debt is prohibited.</p>	<p>Hospitals required to report community benefit spending on specific categories such as behavioral health, financial assistance, and investments in the social determinants of health, and how this spending directly corresponds to a community-identified health need. Hospitals must present their community benefit plan to the broader community and solicit feedback at a public meeting each year.</p> <p>State Department of Health Care Policy and Financing prepares an annual report including a summary of the</p>

		estimated federal, state, and property tax exemptions received by each hospital. (effective 2023)
Florida	<p>Hospitals may receive reimbursements through state uncompensated care programs if they provide 2% of inpatient care as charity care to uninsured patients with family income under 100% FPL.</p> <p>Limitations on liens and wage garnishment for medical debt.</p> <p>Undocumented immigrants ineligible for financial assistance.</p>	none
Georgia	<p>Disproportionate Share Hospitals must provide free care patients with income below 125% FPL and free or discounted care for patients between 125% - 200% FPL, until their charity care expenditures equal its allocations from the Indigent Care Trust Fund.</p>	<p>Certificate of Need regulations allow state regulators to take financial assistance into account when considering hospital expansions.</p>
Illinois	<p>Acute care hospitals must give free care to uninsured patients with family incomes up to 200% FPL for all charges over \$150 and discount charges over \$150 for uninsured patients with a family income between 200% and 600% FPL.</p> <p>As of 2024, hospitals must screen all uninsured patients for financial assistance at the “earliest reasonable moment” and insured patients upon request.</p> <p>Hospitals cannot place liens or garnish wages for uninsured patients with medical debt.</p> <p>Hospitals prohibited from discriminating based on citizenship status for financial assistance eligibility</p>	<p>Non-profit hospitals must submit community benefits plans with a description of the activities the hospital is undertaking to address health equity, reduce health disparities, and improve community health. Hospitals must also report how many financial assistance applications were received, processed, and granted.</p> <p>Hospitals are required to spend at least as much on community benefits as the value of their property tax exemption (Note: Lown Institute researchers found this property tax exemption data extremely difficult to obtain.)</p>
Indiana	No financial assistance eligibility	Requires hospitals to file a copy of Form

	requirements, but hospitals may receive reimbursement through state Indigent program for certain patients under 75% FPL	990 Schedule H with the state.
Iowa	Financial assistance requirements only apply county public hospitals, not private nonprofits.  Liens and foreclosures on homes to collect medical debt are limited.	none
Louisiana	Designated state-supported hospitals must provide free care to patients below 200% FPL, or, if uninsured, have incurred medical expenses more than 20% of income.  In the case of medical debt from catastrophic or terminal illness or injury, there may be no forced sale of the patient's home to satisfy the debt.	none
Maryland	Free care for patients with family income over 200% FPL, discounted care for patients with family income 200-500% FPL depending on size of medical bill.  Hospitals are not allowed to consider a household's monetary assets in determining eligibility for free and reduced-cost care under the hospital's financial assistance policy.  Hospitals are required to screen patients for financial assistance before sending debt to collections, by asking all patients to sign an information sheet upon discharge notifying them about financial assistance availability.  Hospitals required to use a uniform financial assistance application created by the state.	Nonprofit hospitals are required to submit an annual report on community benefit spending, including: hospital activities to address identified community health needs, the cost of each activity, and a list of tax exemptions the hospital claimed, among other details.  Hospitals are required to report the number of financial assistance applications completed, approved, and denied; number of patients with whom the hospital has written off bad debt; and number of patients sued by the hospital or hospital's debt collector.
Massachusetts	Both nonprofit and for-profit hospitals must offer free care and do so at a rate that they "maintain or increase	Hospitals asked to submit community report including their spending on programs to specifically address

	<p>the percentage of gross patient service revenues allocated to free care.” Hospitals must also disseminate copies of FAPs to patients.</p> <p>Hospitals can get reimbursed from the Health Safety Net for unreimbursed care provided to patients based on their household income and size of the medical bill.</p> <p>Hospitals are not allowed to collect on medical debt for patients with income up to 150% of FPL.</p>	<p>community health needs identified in the Community Health Needs Assessment, as well as financial assistance.</p> <p>Boston has a voluntary system of PILOT payments (payment in lieu of taxes) that asks large nonprofits such as hospitals and universities to pay a stipend to the city, to help pay for things like water, fire fighters, sewage, etc. Other cities in Massachusetts also have these payment plans.</p>
Michigan	none	none
Minnesota	<p>Beginning November 1, 2023, all uninsured patients, and patients whose insurance status is unknown, must be screened for eligibility for financial assistance. No set income eligibility levels.</p> <p>Hospitals may not engage in certain collection actions or accept a credit card payment of over \$500 for the medical debt owed to the hospital until the hospital determines the patient is ineligible for charity care.</p> <p>Hospitals must offer a reasonable payment plan to patients who are unable to pay the full amount of their bill before pursuing the debt in litigation, garnishing patient wages, or referring debt to a collection agency.</p> <p>Medical debt cannot be included on credit reports.</p>	<p>Hospitals are required to report their community benefit spending to the state, including a breakout of spending by category and connection to community health needs (updated 2024).</p>
New York	<p>Participation in state Indigent Care Pool requires providing financial assistance to patients with family income under 300% FPL, depending on insurance coverage.</p> <p>Patients who face out-of-pocket medical costs over 10% of their</p>	<p>Hospitals must report number of financial assistance applications, approvals, and denials, with demographic breakouts.</p>

	<p>income in the past year are eligible for assistance.</p> <p>Hospitals required to use a uniform financial assistance application created by the state.</p> <p>Liens and wage garnishments for medical debt are prohibited. Legal actions to collect medical debt against patients making up to 400% FPL are prohibited.</p>	
North Carolina	<p>Hospitals must implement the following policies in order to receive state-directed Medicaid payments:</p> <ul style="list-style-type: none"> <li>- Provide discounts on medical bills of between 50-100% for patients with incomes at or below 300% FPL, with the amount of the discount varying based on the patient's income.</li> <li>- Implement a policy for presumptive eligibility to automatically enroll patients into financial assistance programs</li> <li>- No selling the debt of consumers with incomes at or below 300% FPL to debt collectors</li> <li>- No reporting a patient's debt covered by these policies to a credit reporting agency</li> <li>- No liens on primary residence or wage garnishments to collect on medical debt</li> </ul> <p><a href="#">(KFF, 2024)</a></p>	
Ohio	<p>Hospitals must offer free care to patients at or below 100% FPL and can request reimbursement for care provided through Hospital Care Assurance Program (HCAP)</p> <p>Hospitals participating in the Hospital Care Assurance Program (HCAP)</p>	<p>Hospitals required to report the number of patients that received financial assistance and the amount of spending on financial assistance and bad debt.</p>

	<p>must have a post-billing procedure for determining the individual's income and canceling the charges if the individual is found to qualify for services.</p> <p>Hospitals are prohibited from foreclosing on a primary residence due to medical bills.</p>	
Oregon	<p>All nonprofit hospitals must provide free care to those with household incomes of up to 200% FPL and discounted care up to 400% FPL, using sliding scale specified by the state.</p> <p>Starting July 2024, hospitals are required to screen patients for presumptive eligibility for financial assistance if the patient is uninsured, enrolled in Medicaid, or owes more than \$500. Screening must happen before the patient is issued a bill.</p> <p>Wage garnishments are limited.</p>	<p>Hospitals are required to report their community benefit spending to the state by facility each year, broken out by spending category</p> <p>Hospitals required to report the number of financial assistance applications received, approved, denied, number of patients sent to collections, and number of extraordinary collection actions pursued.</p> <p>Hospitals are required to spend above a minimum amount set by the state. The threshold is based on hospitals' prior uncompensated care spending, net patient revenue, and operating margin. (<a href="#">Oregon Health Authority</a>)</p>
Pennsylvania	<p>Wage garnishment for medical debt is prohibited.</p>	<p>Pennsylvania hospitals are required to meet certain criteria to be tax-exempt, including providing "uncompensated goods or services at least equal to 75% of the institution's net operating income but not less than 3% of the institution's total operating expenses."</p> <p>Taxing districts have the right to sue nonprofit hospitals to revoke property tax exemption if they believe they are not fulfilling all criteria for purely public charities.</p> <p>(<a href="#">Pennsylvania General Assembly</a>)</p>
Tennessee	<p>Hospitals are required to offer discounted care to uninsured patients, limited to 175% of the cost of services.</p>	

<p>Texas</p>	<p>Free care must be offered by all nonprofit hospitals except those in counties with populations under 50,000 and have been designated a health professional shortage area.</p> <p>Hospitals must make patients under 200% FPG eligible for free care.</p> <p>Wage garnishments or foreclosure on primary residence for medical debt is prohibited.</p>	<p>Hospital community benefit spending must fulfill one of these standards:</p> <ol style="list-style-type: none"> <li>1) Exceed the total amount of their tax exemption, not including federal income tax</li> <li>2) Exceed 5% of net patient revenue</li> <li>3) Be provided at a level "reasonable in relation to the community needs"</li> </ol>
<p>Wisconsin</p>	<p>No wage garnishment for medical debt for patients under 100% FPL; garnishment amount is limited for other patients.</p>	