



Hospitals, the GMCB, and the legislature reduced expenses by \$230M for FY 2026

- In response to the GMCB benchmarks, hospitals submitted budgets that eliminated \$230M in operational expenses.
- The Act 55 prescription drug cap also reduced premium inflation.



Hospitals pledge to eliminate operating expenses by \$100M over 2 years – FY 2027 and FY 2028

- The GMCB's Oliver Wyman Report recommended cutting administrative and operating expenses by \$300M by FY2030.
- In partnership with the GMCB and the legislature, hospitals would achieve reductions of \$330M by 2028, 2 years ahead of the Oliver Wyman timeline.



Hospitals will partner with the State and communities on remaining savings through regionalization

- For further savings, hospitals will continue to partner with the State and their communities to eliminate, reduce, or consolidate service lines.
- This savings is estimated to be about \$40M over two years