MetroHealth

2027 Budget Presentation
Cuyahoga County Council

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President and Chief Executive Officer

November 16, 2026

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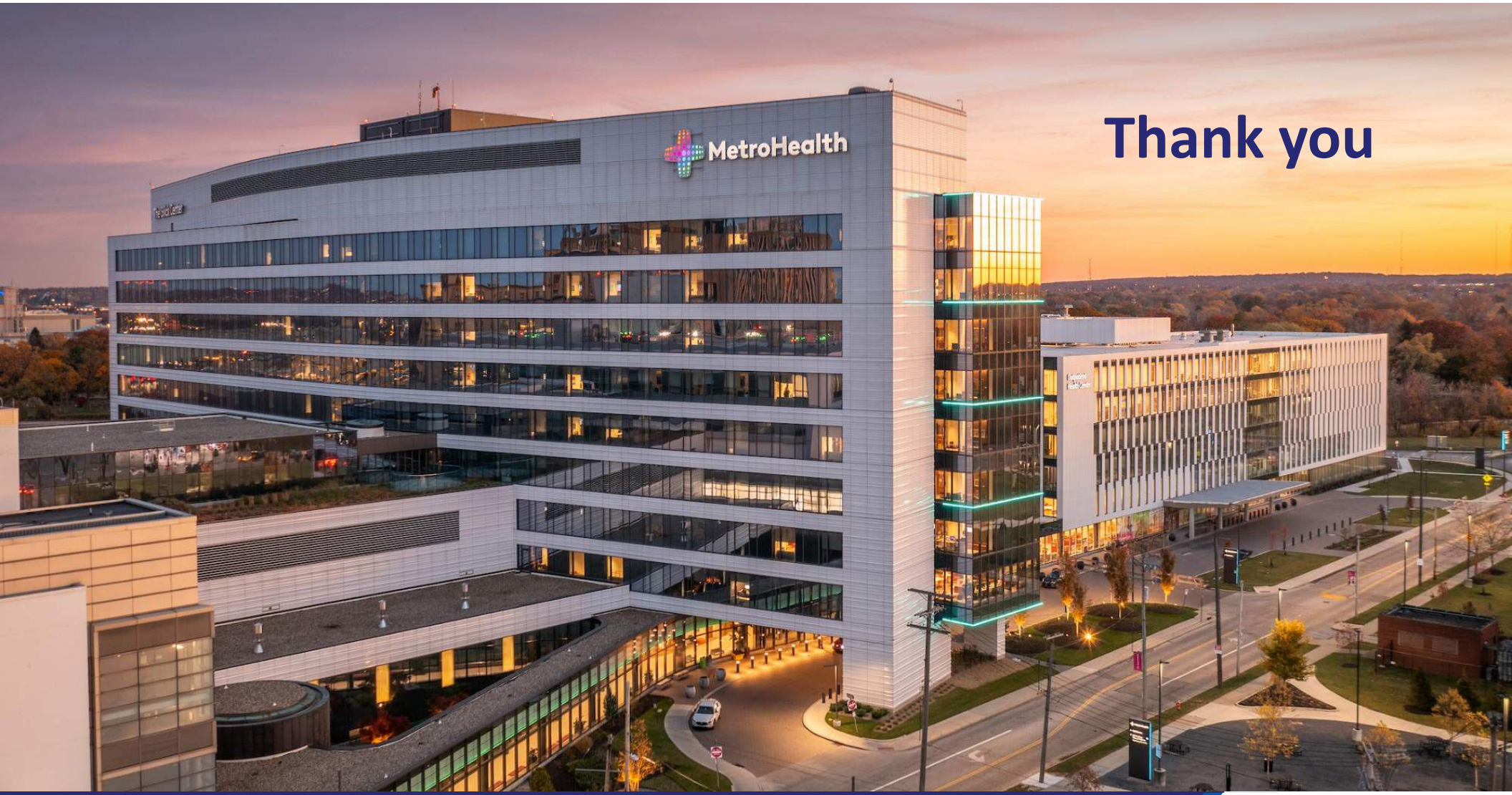

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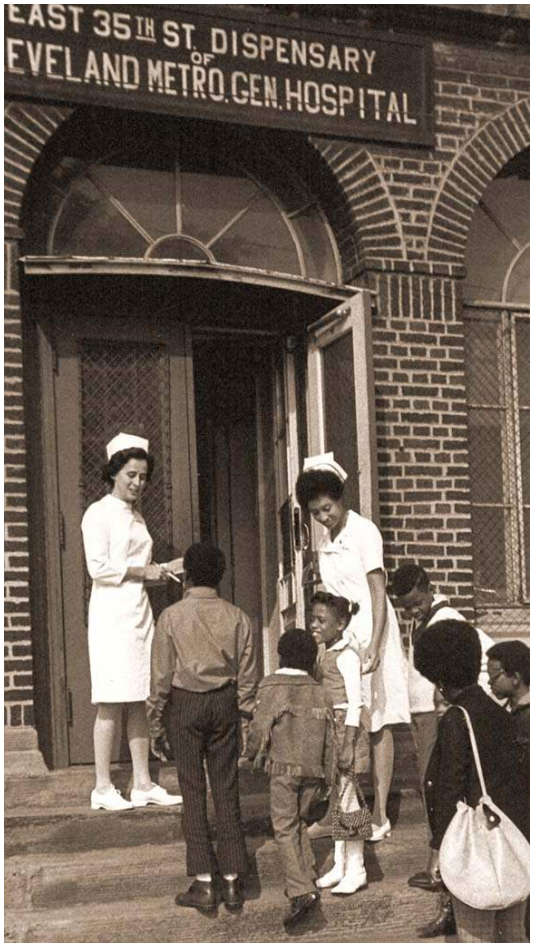







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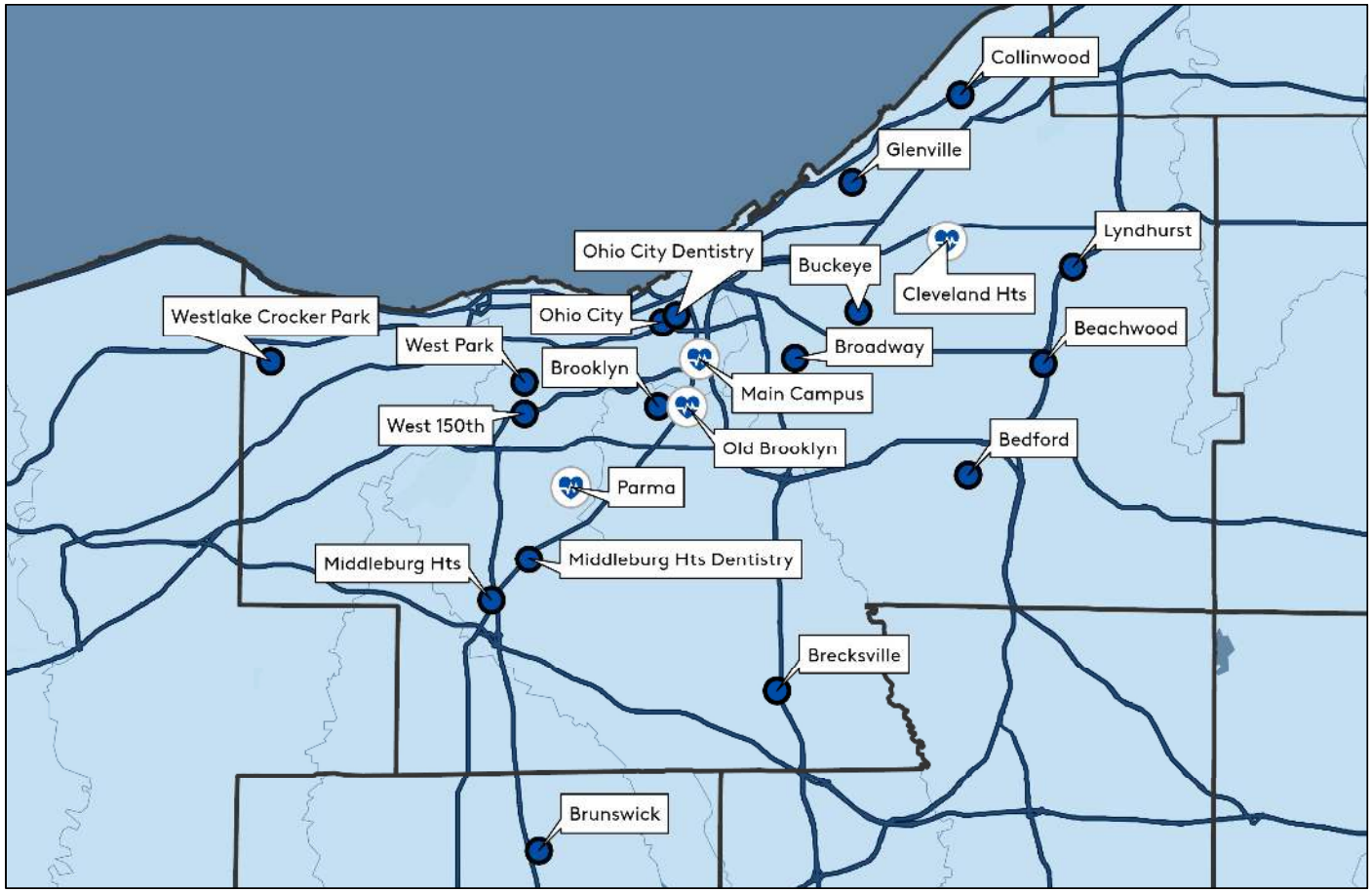
No matter where you are, MetroHealth is nearby



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2026 Highlights

- *New Outpatient Health Center*
- *Emergency Department renovation*
- *Expansion of Pride Network*
- *New mobile breast unit*
- *New Correctional Medicine contract*
- *Honors:*
  - *America's Most Socially Responsible Hospitals*
  - *Top 25 Academic Medical Center*
  - *Rehabilitation Institute among America's best*
  - *Top Magnet Nursing Distinction*
  - *Lantern Awards for Emergency Nursing Excellence*
  - *NorthCoast 99 best place to work (22nd time!)*
  - *Top 14 U.S. health systems for digital healthcare excellence (CHIME)*









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A trusted partnership with Cuyahoga County









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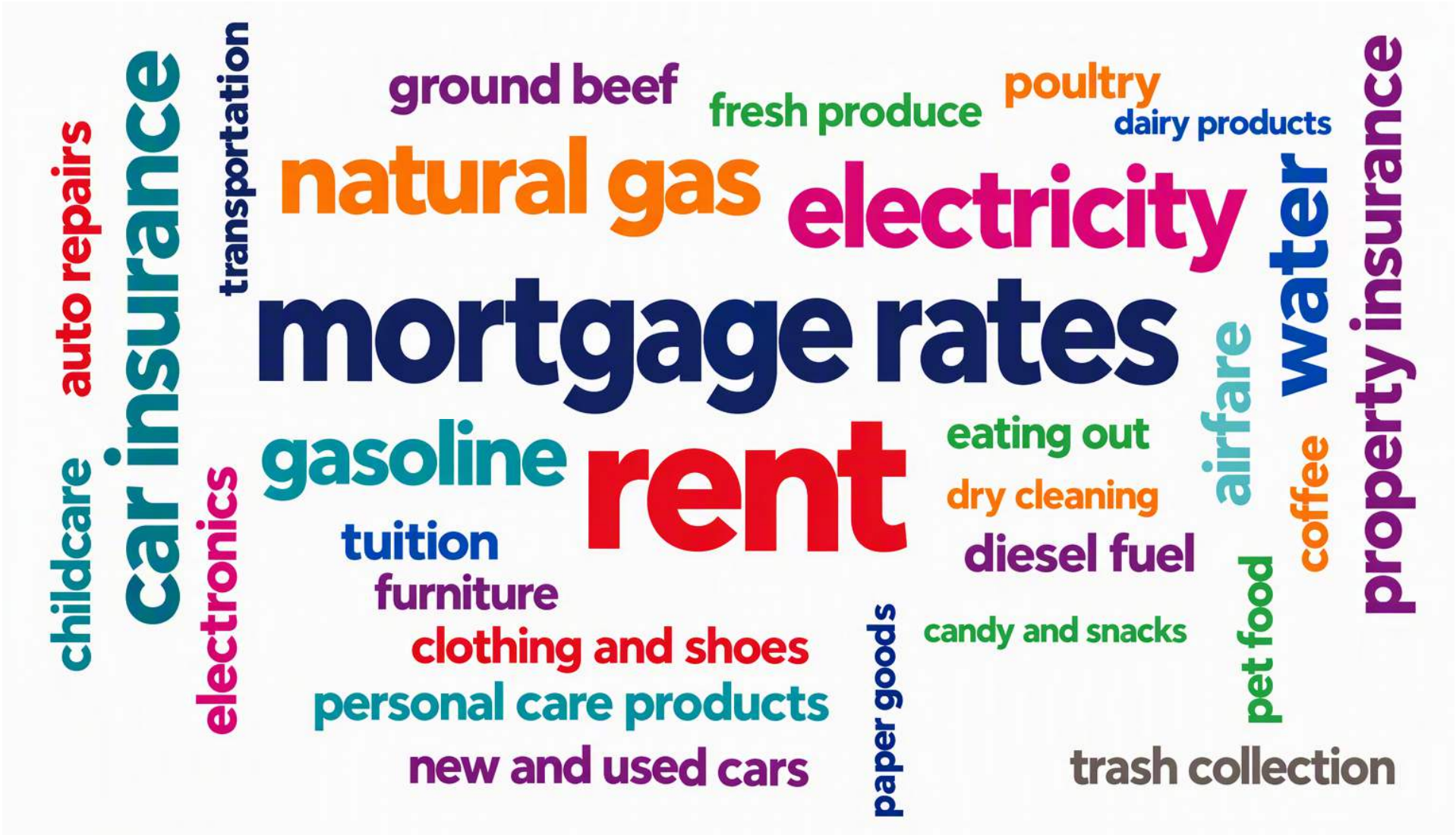

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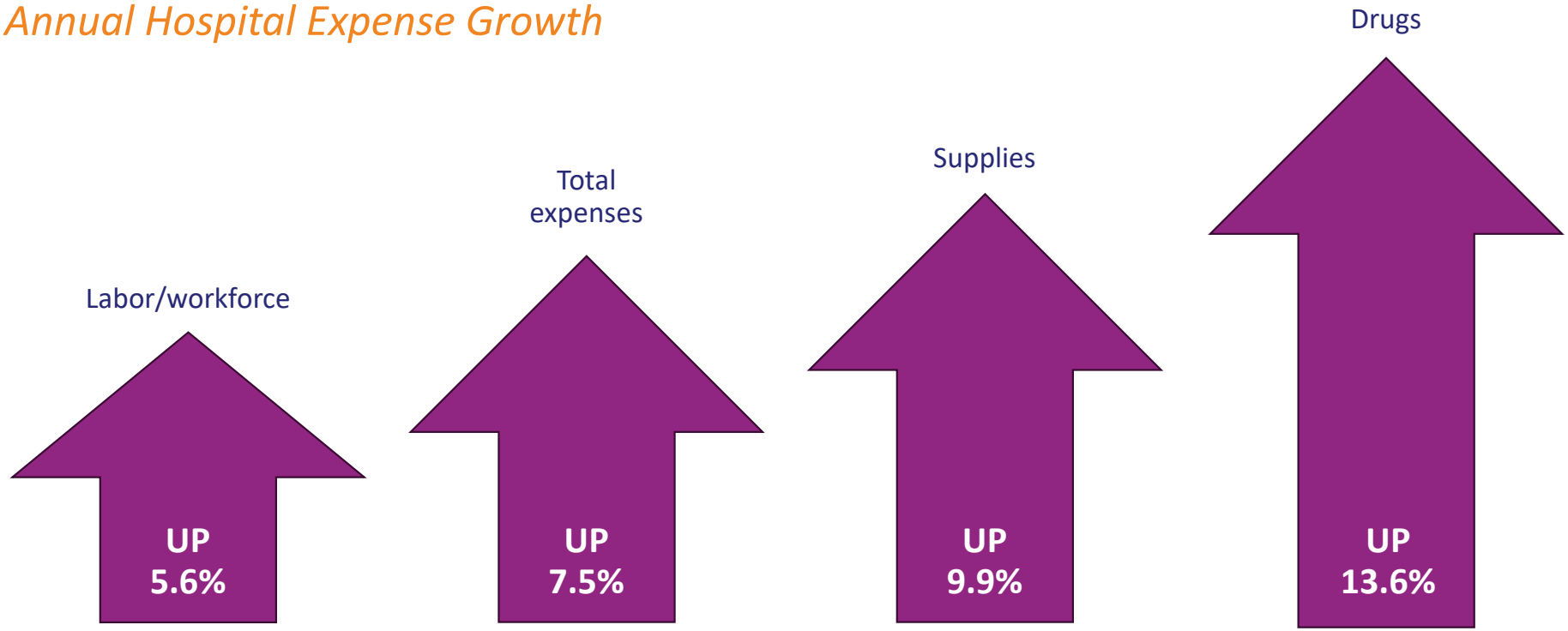
Soaring costs of care

Annual Hospital Expense Growth



American Hospital Association, March 2026

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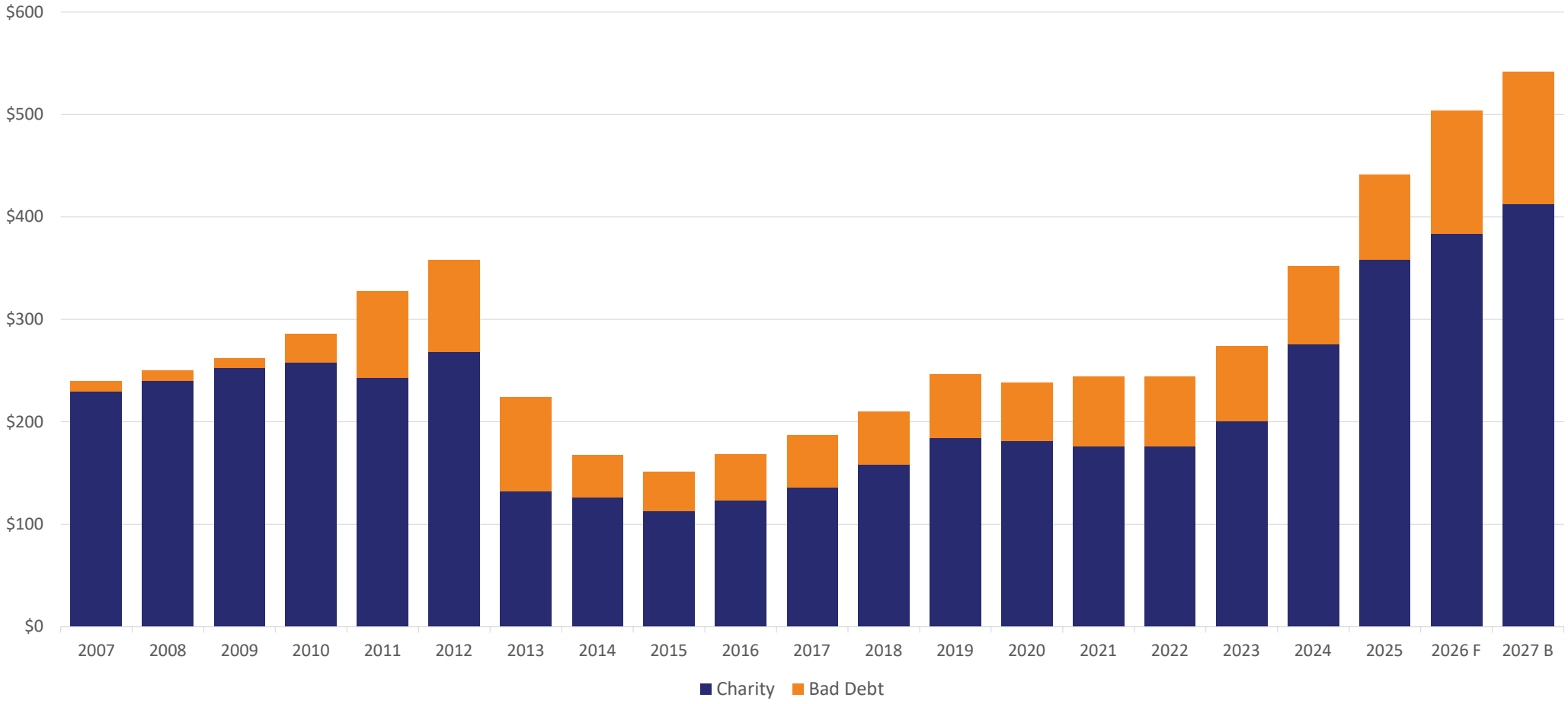
Uncompensated Care ($M)



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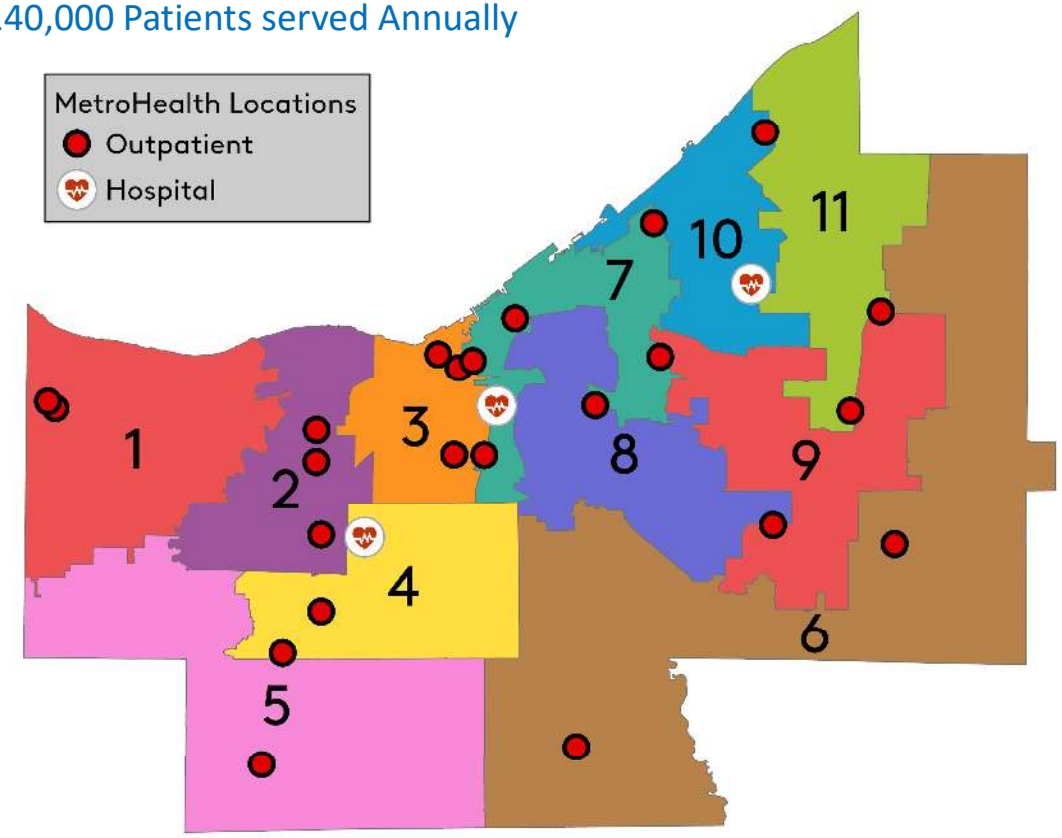
MetroHealth 2026
County Uncompensated Care

Over 140,000 Patients served Annually



*Note: Total Patients Served represents the total unique patient count. Some patients may have moved throughout the timeframe that services were provided and therefore are represented in multiple council districts

Council District	Uncompensated Care *
1	$ 5,783,632
2	$ 18,226,989
3	$ 54,391,752
4	$ 26,116,110
5	$ 9,683,384
6	$ 6,648,026
7	$ 43,349,769
8	$ 29,634,513
9	$ 14,140,065
10	$ 21,830,140
11	$ 10,307,215
TOTAL	**$ 240,111,595**

* Adjusted Annualized Cost of Uncompensated Care

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Healthcare Industry & Public Policy Headwinds

Risks increase uncompensated care, reduce Medicaid revenue stability, increase the cost to prove care and pressure safety-net funding

Industry Pressures

43%

of U.S. hospitals operating at a loss, up from ~33% pre-COVID

+21%

cost per day since 2023 — drugs +29%, supplies +25%

+78%

Midwest bad debt & charity care since 2023 (49% nationally)

9% vs. 6%

gross vs. net revenue growth — payer mix is eroding

- Exchange patients shifting to uninsured as ACA subsidies end
- Costlier capital: Fed hiking again; 10-year Treasury hit 5.19%

Source: Kaufman Hall, National Hospital Flash Report (August 2026 data)

Public Policy (2027 Forward)

1. **Medicaid work requirements & eligibility changes**
   More uninsured patients and higher uncompensated care
2. **Marketplace subsidy reductions & eligibility changes**
   Exchange patients shift to self-pay
3. **340B changes & federal drug pricing negotiation**
   Smaller pharmacy savings that support safety-net care
4. **Medicare reimbursement pressures**
   Payment updates trailing cost growth
5. **Medicaid DSH reductions**
   Less funding to offset uncompensated care
6. **State Directed Payment & provider tax phase-down**
   Less stable Medicaid revenue

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Ensuring coverage for our patients

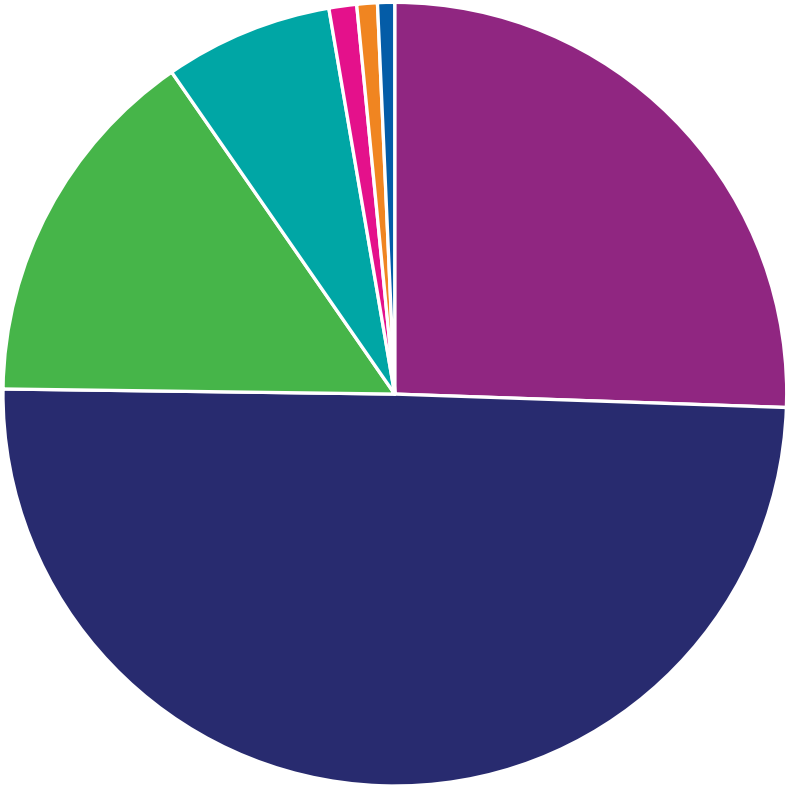
- Get the word out
- Expand on-site eligibility support
- Invest in enrollment outreach
- Promote employer-sponsored insurance
- Educate the community
- Diversify how we help patients enroll
- Deploy new verification tools



2027 Operating Budget Summary

Description (in $000s)	2022A	2023A	2024A	2025A	2026P	2027B
Total Operating Revenue	**$ 1,613,858**	**$ 1,819,570**	**$ 1,965,705**	**$ 2,202,901**	**$ 2,359,380**	**$ 2,378,381**
Operating Expenses:						
Salaries, Wages, & Benefits	948,719	1,071,080	1,151,465	1,168,084	1,237,231	1,276,543
Department Expenses	527,596	611,747	710,656	814,306	865,982	994,537
Depreciation, Amortization, and Interest	119,450	158,490	153,959	163,693	173,812	186,201
Total Operating Expenses	**1,595,765**	**1,841,317**	**2,016,080**	**2,146,083**	**2,277,026**	**2,457,281**
Operating Income (Loss)	**$ 18,093**	**$ (21,747)**	**$ (50,375)**	**$ 56,818**	**$ 82,354**	**$ (78,900)**
Operating Income (Loss) Margin %	**1.1%**	**-1.2%**	**-2.6%**	**2.6%**	**3.5%**	**-3.3%**
EBIDA	**$ 137,543**	**$ 136,743**	**$ 103,584**	**$ 220,511**	**$ 256,166**	**$ 107,301**
EBIDA Margin %	**8.5%**	**7.5%**	**5.3%**	**10.0%**	**10.9%**	**4.5%**

2027 Capital Budget



Estimated Funding Allocation

Clinical Equipment	$	18,387,000
Facilities	$	35,770,000
Information Services	$	10,900,000
Strategic Growth	$	5,000,000
Patient & Employee Safety	$	821,000
FQHC	$	612,000
Research	$	510,000
Total	**$**	**72,000,000**

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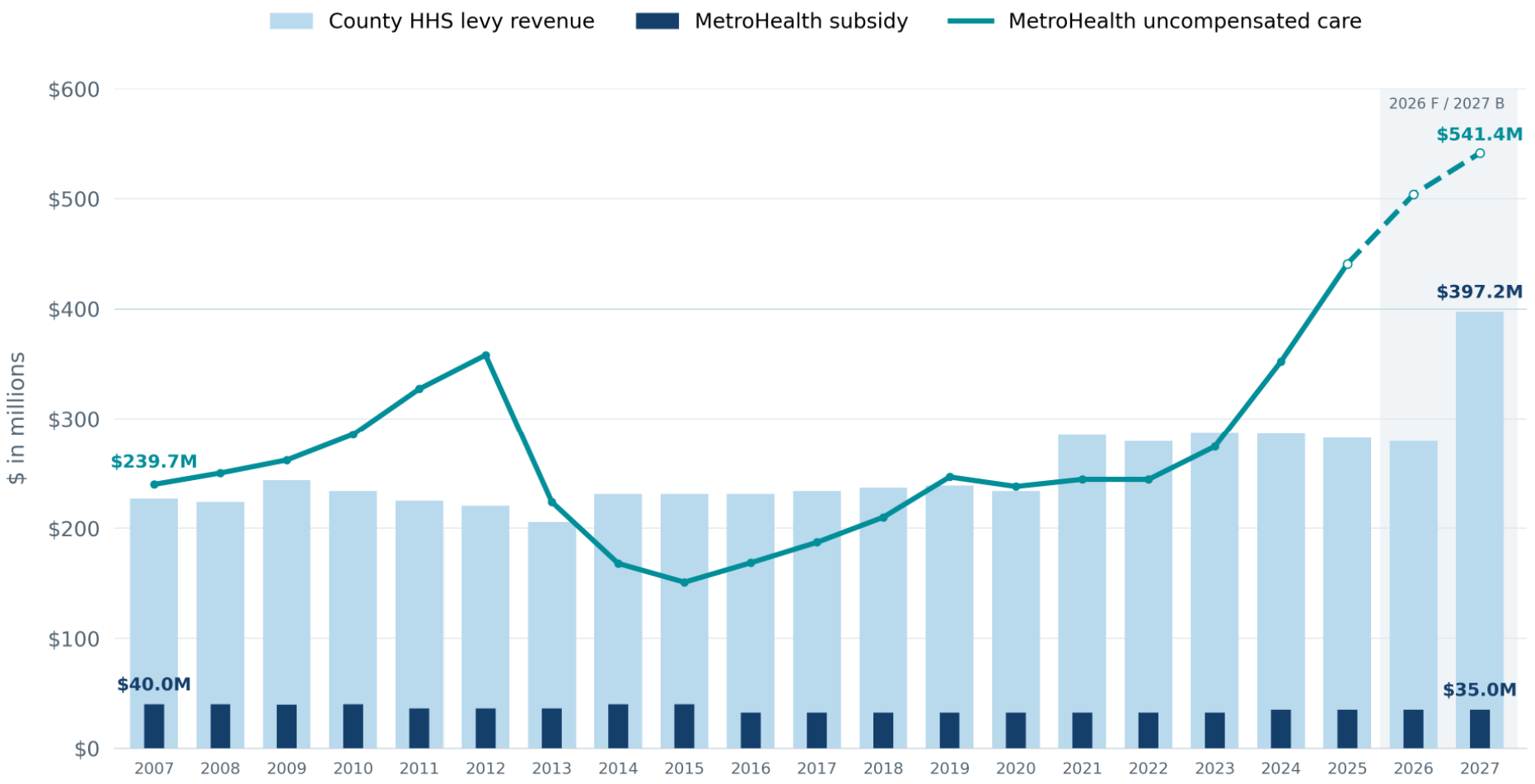

Uncompensated care = charity care + bad debt. Subsidy is included within total levy revenue. F = forecast; B = budget.

Source: supplied data. 2027 levy revenue: $397.20M post-passage estimate; MetroHealth subsidy assumed at $35M. All amounts are nominal.

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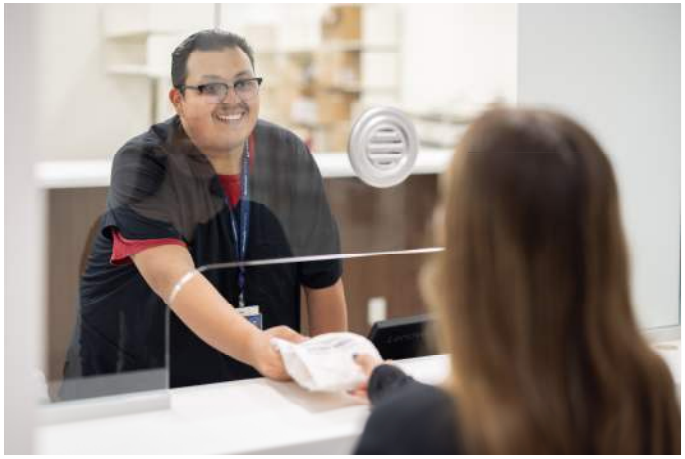



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Questions?

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ABOUT METROHEALTH

Founded in 1837, MetroHealth is leading the way to a healthier you and a healthier community through service, teaching, discovery, and teamwork. Cuyahoga County's public, safety-net hospital system, MetroHealth meets people where they are, providing care through five hospitals, four emergency departments and more than a dozen health centers. **For more information, visit metrohealth.org.**

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