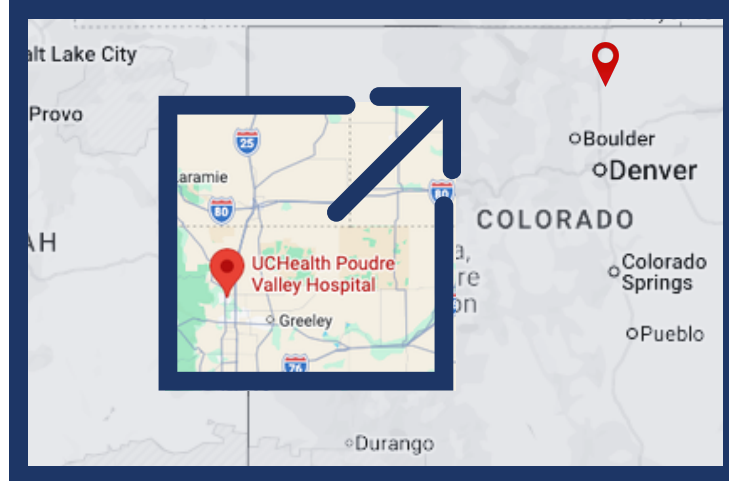


UNIVERSITY OF COLORADO HEALTH: POUDRE VALLEY HOSPITAL CASE STUDY



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OVERVIEW

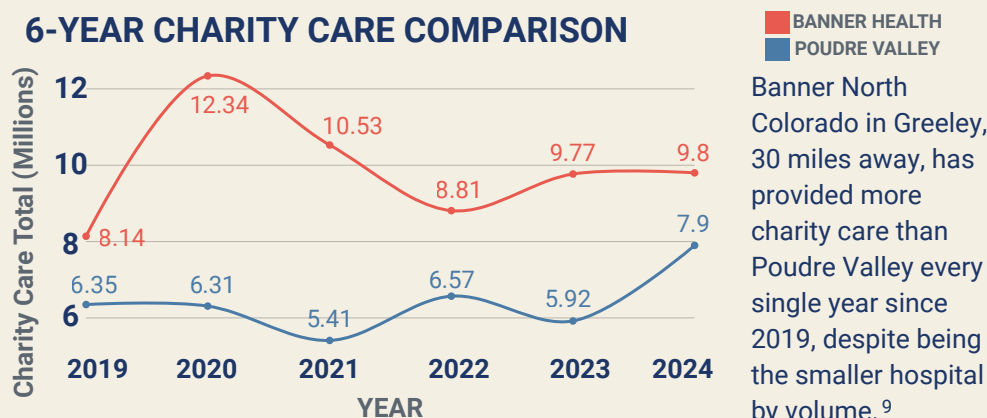
University of Colorado (UC) Health Poudre Valley is a nonprofit, 270 bed hospital affiliated with the largest health system in the state. Located north of Denver in Larimer County, Poudre Valley Hospital participates in the 340B program to help serve low-income communities. However, data indicates that this hospital is not using 340B savings as the law intended:

- **The highest profit margin (33%)** of any hospital in Colorado in 2024. In 2021, it was 45.1%.¹
- **2nd-highest tax exemption estimate** in the state at **\$79.2 million** (FY 2023).²
- 2024 **charity care spend is only 1%** of net patient revenue (**\$7.6 million vs. \$788 million**).³
- **Largest fair-share deficit** (spends less on charity care than the value of their tax breaks) in the state at ~\$59 million per year (2020-2022 average).⁴

PROFITING AND TAX EXEMPTIONS

- Poudre Valley **averaged a 20.2% total profit margin** across 2019-2024, including the 2022 investment-loss year.⁵ **This is unusually high for a hospital system.**
 - In 2024, nearly 1 in 5 hospitals across the country reported margins between 0% and 5%.⁶
 - The same year, 41% of Colorado hospitals had a total profit margin under 3%, and **1 out of 4 hospitals ran negative margins.**⁷
- Poudre Valley reports \$82.4 million in community benefit but **only \$9.1 million (11%) of it is free or discounted care.**⁸
 - **\$68.1 million (83%)** is for “provider recruitment, education, research and training,” which is **far outside the norm.** The system skews heavily toward bolstering their own staffing rather than helping patients in need.

6-YEAR CHARITY CARE COMPARISON



Source: HCPF 2026 Hospital Financial Transparency Report, Appendix E, p. 119

Banner North Colorado in Greeley, 30 miles away, has provided more charity care than Poudre Valley every single year since 2019, despite being the smaller hospital by volume.⁹

PATIENT HORROR STORIES

- In 2020, Caitlin Wells Salerno underwent a routine childbirth, **yet was up-coded to the highest emergency billing tier.**¹⁰
 - Poudre Valley Hospital billed \$16,221, including a \$2,755 charge for “Level 5” emergency services.
- 4 other women who gave birth at the hospital were charged emergency rates without knowledge.¹¹
- UCHealth is notorious for initiating “thousands of lawsuits against patients to collect medical debt in recent years, causing financial harm.”¹²
 - After 2020, UC Health sued ~3,000 patients a year through **middleman debt collectors.**¹³

CONCLUSION

UCHealth Poudre Valley is registered as a Disproportionate Share Hospital (DSH) in the 340B program, premised on serving a high share of low-income patients. However, their financial data demonstrates patients are not their first priority. The large fair-share deficit means patients experience more financial hardship, less access, and deeper disparities.

1) Colorado Department of Health Care Policy & Financing: [2026 Hospital Financial Transparency Report](#), Appendix E, p. 133.

2) Colorado Department of Health Care Policy & Financing: [Hospital Community Benefit Accountability Annual Report](#), p. 65. January 15, 2026.

3) Colorado Department of Health Care Policy & Financing: [2026 Hospital Financial Transparency Report](#), Appendix E, p. 105.

4) Lown Institute: [Making the hospital tax exemption work for Colorado](#), p. 3. April 2025.

5) Ibid.

6) Cost Report Insights: [U.S. Hospital Operating Margins: Results from the 2024 Medicare Cost Report](#). April 8, 2026.

7) Colorado Department of Health Care Policy & Financing: [2026 Hospital Financial Transparency Report](#), Appendix E, p. 133.

8) Colorado Department of Health Care Policy & Financing: [2026 Community Hospital Benefit Accountability Report](#), Appendix B Table 14, Appendix E Table 17.

9) Colorado Department of Health Care Policy & Financing: [2026 Hospital Financial Transparency Report](#), Appendix E, p. 119.

10) KFF Health News: [How Billing Turns a Routine Birth Into a High-Cost Emergency](#). October 27, 2021.

11) Ibid.

12) Lown Institute: [Making the hospital tax exemption work for Colorado](#), p. 8. April 2025.

13) 9News: [UCHealth sues thousands of patients every year but doesn't use its own name to do it](#). February 16, 2024.

