

RED ALERT:

Beacon Kalamazoo is at risk of service cuts and potential closure

What's happening?

Financial analysis by National Nurses United (NNU) shows that Beacon Kalamazoo Hospital (formerly Ascension Borgess) is at serious risk. Because it relies on Medicaid and Medicare funding and shares financial patterns similar to [recently closed hospitals](#), the hospital is vulnerable to service cuts – and, potentially, eventual closure from the pending cuts imposed by H.R. 1.

The nearly [trillion dollars in federal health care funding cuts](#) are set to take effect after the 2026 midterm elections and will lead to [10 million people losing their insurance by 2034](#).

According to NNU's analysis of [Medicare Cost reports](#) and [Definitive Healthcare](#) reports, Medicare and Medicaid are responsible for half of Beacon Kalamazoo's net patient revenue. According to the [American Hospital Association Annual Survey](#) (AHA Annual Survey), nearly 85 percent of Beacon Kalamazoo's patients are on Medicare and/or Medicaid. As a result of H.R. 1 and other federal cuts, NNU estimates a loss to Beacon Kalamazoo's income of \$9.6 million to \$15 million annually.

Who is hurt?

Beacon Kalamazoo is a critical piece of the health care infrastructure in Kalamazoo County, with a 24/7 emergency room, a Level II trauma center, and comprehensive stroke center. The overwhelming majority of patients rely on Medicaid and Medicare for health care access.

In 2024, the last available year for much of this data, according to the [AHA Annual Survey](#), Beacon Kalamazoo:

- Received 46,017 emergency room visits.
- Admitted 11,019 patients.
- Delivered 442 babies.

Beacon Kalamazoo serves Kalamazoo County, where nearly a third (30.6 percent) of residents are low-income (at or below 200 percent of the poverty level), higher than Michigan's state average of 29.5 percent. More than 13 percent of adults live under the federal poverty line. The child poverty rate is 12.7 percent and the senior poverty rate is 8 percent. Restrictions to Medicaid will further deteriorate health care access in Kalamazoo County, where according to the [2025 Community Needs Assessment \(2025 CNA\)](#), 11.5 percent of residents do not have a

primary care provider and nearly a quarter of residents did not have a routine healthcare visit in the last 12 months.

Many of these vulnerable residents will undoubtedly be hit with a double punch as H.R. 1 is slated to cut SNAP (Supplemental Nutrition Assistance Program) by \$186 billion over the next ten years. Those cuts are set to take effect later this year. In Kalamazoo County, according to [2025 CNA](#), 14 percent of residents experienced food insecurity, with Black and Hispanic residents experiencing substantially higher rates of food insecurity: 33 percent for Blacks, 21 percent for Hispanic compared to 12 percent for Whites.

Where will patients go?

If Beacon Kalamazoo were to close, patients would need to seek care at Bronson Methodist. Although Bronson is only two miles away, its emergency room often has very long wait times. In fact, eight percent of patients left the emergency department before being seen in 2024, far higher than the two percent national average. Compared to other high-volume hospitals, Bronson also has a higher median of time that patients spend in the ER before leaving from the [visit](#). Bronson's ER would struggle to absorb the patients who would otherwise seek emergency care at Beacon.

Furthermore, Bronson does not offer many of the medical service lines that Beacon Kalamazoo does, including: electrophysiology, psychiatry, and rehabilitation. In fact, Beacon Kalamazoo has a dedicated area for psychiatric emergency care – the only one in the area. The loss of such services would be devastating, as the [Michigan Department of Health & Human Services](#) found rising mental health needs among the population – the five average age-adjusted suicide rate per 100,000 population increased from 12.1 to 15.4 percent from 2015 to 2024.

What's the bottom line?

Beacon Kalamazoo is a vital, lifesaving part of Kalamazoo County's health care delivery system. The next closest facilities are incapable of absorbing Beacon's patients and cannot offer the myriad services it provides.

Sources: American Hospital Directory; American Hospital Association Annual Survey, Michigan Department of Health & Human Services, 2025 Community Needs Assessment - Kalamazoo County, hospital financial vulnerability analysis based on Medicare cost reports; provider websites