Who Pays For Rising Health Care Prices?

Health care prices in the U.S. have increased dramatically since 2000. Price growth for Hospital services have been a primary driver of this increase and middle and low-income workers outside the health sector are paying for it.

Health Care Spending  

Health insurance premiums rise in step with health care spending.

Health Insurance Premiums  

Non-health sector Employers

Price changes since 2000

+230% Hospital Services  

+93% Prescription Drugs  

+77% Avg. Good/Service  

+69% Physician Services

Bureau of Labour Statistics

Non-health sector Wages  

Non-health sector Jobs

Market Consolidation is a Factor

Hospital mergers that lessen competition are one of the significant factors driving up health care spending, yet relatively few are challenged by the FTC.

>1,000 mergers since 2000

WHO IS MOST IMPACTED?

Those most impacted are middle- and low-income workers.

Change in wages and unemployment primarily hits those earning

$20K to 100K/yr

The Estimated Annual Impact of Mergers

Our estimates measure the scale of the damage hospital mergers do to local economies. Those that the FTC could have flagged, but didn’t, likely resulted in:

Wages reduced by $400M  

Jobs reduced by >2,500  

Tax Revenue reduced by $85M