Cost Trends & Price Differences

Assessment of Cost Trends and Price Differences for U.S. Hospitals
Refutes Unsupported Claims of Market Power
Hospital prices are directly related to the cost of care.

Over the last decade, increased expenditures on labor explain a substantial proportion of overall costs to hospitals.

Up to 72% of the differences in hospital prices for non-Medicare services can be explained by how sick patients are and costs of care.

There is no data to show that remaining differences is due to market power.
Hospital prices are directly related to the cost of care

Source: Analysis of AHA Annual Survey data for community hospitals.
Hospitals are a stable portion of the nation’s health care tab

Hospitals face rapidly growing costs for labor