



# CONSUMERS FOR FAIR HOSPITAL PRICING



**Dear partners,**

As leading organizations representing families, individuals, and health care consumers across the United States, we call on the greater health advocacy community to join our consumer health care movement, as we take on the harmful pricing practices and anti-competitive behavior of hospitals and large hospital systems. These behaviors are driving our nation's health care affordability crisis. Together we will tackle the root causes that make health care unaffordable and ensure that the needs of people are truly at the heart of our health care system.

Every person and family should have high-quality health care that prevents illness, allows them to see a doctor when needed, and helps to keep their families healthy at a price they can afford. Yet, nearly half of all Americans have reported having to forgo medical care due to cost, and nearly a third say that the high cost of medical care is interfering with their ability to secure basic needs like food and housing.<sup>1</sup> Over 100 million people in America are experiencing record levels of medical debt.<sup>2</sup> This is unacceptable.

High and rising hospital prices are a leading driver of our nation's health care affordability crisis. Decades of unchecked health care industry consolidation and anti-competitive business practices have resulted in massive price increases with no commensurate increase in quality or safety.<sup>3</sup> Since 2015, hospital prices have increased four times faster than workers' paychecks<sup>4</sup> and now account for one third of U.S. health care spending.<sup>5</sup> High hospital prices are hiking up health care insurance premiums, suppressing workers' wages, and leading to significant financial hardship—resulting in millions of Americans facing medical debt or loss of coverage.<sup>6</sup>

Fundamentally, the business interests of the hospital sector are at odds with the health and financial security of our nation's families. Hospitals and large hospital systems are setting inflated prices that have little to do with the actual cost or quality of the care they offer.<sup>7</sup> Some hospitals, including non-profit hospitals, attempt to deny care to those in need<sup>8</sup>, provide inappropriate or unsafe care in order to maximize profits and revenue<sup>9</sup>, and even file lawsuits against patients for being unable to afford their sky-high prices.<sup>10</sup> While families suffer the consequences, hospital executives enjoy millions of dollars in executive compensation.<sup>11</sup> Despite the dedication and hard work of our health care workers who have the best interests of their patients at heart, the health care system in which they operate is broken. The time for change is now.

Together, as members of the Consumers for Fair Hospital Pricing Coalition, we will put forward a strong pro-consumer agenda that ensures everyone can get the high-quality care they deserve at a price they can afford. Now is the time for policymakers to advance changes that rein in the harmful business practices of hospitals and large hospital systems and finally brings fairness to hospital pricing.

Our work is centered around the following three goals that will make hospital care higher quality and more affordable:

- 1. End price gouging by hospitals and large hospital systems.** We will advance policy solutions that stop big hospital systems from setting unfair and inflated health care prices and engaging in dishonest billing practices.
- 2. Fix market failures including efforts to promote competition within health care markets.** We will advance policy solutions that prevent further consolidation within and across US health care markets and prohibit hospitals and big hospital systems from using their monopoly power to unfairly increase health care prices.
- 3. Increase and strengthen price and quality data transparency.** We will advance policies that make health care prices and data about the quality of care openly available to the public and policymakers, helping to expose hospital prices so that policymakers, researchers, and consumers can see how irrational these prices have become and take more targeted action.

As advocates, we must focus our efforts on the next frontier in health care affordability: reining in the unfair and harmful business practices of hospitals and large hospital systems and demanding truly fair prices for the care that people need. Please join us in taking the health care movement to this critical next stage.

Signed,

**Colorado Consumer Health Initiative**  
**Consumers for Quality Care**  
**Families USA**  
**Health Access California**

**Pennsylvania Health Access Network**  
**Public Citizen**  
**U.S. PIRG**

The following list represents the growing movement of advocates committed to taking on high hospital prices who have endorsed our coalition's principles. The 38 endorsing organizations are:

ACA Consumer Advocacy; Aired Alliance; Alabama Arise; AFSCME; American Muslim Health Professionals; Asian Pacific Islanders American Health Forum; Centennial State Prosperity; Colorado Children's Campaign; Committee to Protect Healthcare, Community Catalyst; Consumer Action; CT #Insulin4all, Covid Survivors for Change; Doctors for America; Fatty Liver Foundation; Georgia Watch; Health Care for All Massachusetts; Health Care Voices; Hydrocephalus Association; Kentucky Equal Justice Center; Moms Rising, MS Society; National Association of Social Workers (NASW); National Consumer Law Center, on behalf of our low-income clients; National Consumers League; National Disability Rights Network (NDRN); National Partnerships for Women and Families; New Jersey Citizen Action; Northwest Health Law Advocates; Small Business Majority; Tennessee Health Care Campaign, Inc.; Tennessee Justice Center; Third Way; Universal Health Care Foundation of Connecticut; Utah Health Policy Project; Virginia Organizing; Young Invincibles.

For any questions, please reach out to Yael Lehmann, Senior Director of Strategic Partnerships at Families USA, at [ylehmann@familiesusa.org](mailto:ylehmann@familiesusa.org).

## Endnotes

- <sup>1</sup> Gallup, *Record High in U.S. Put Off Medical Care Due to Cost in 2022*, January 2023. <https://news.gallup.com/poll/468053/record-high-put-off-medical-care-due-cost-2022.aspx>. See also, NORC at the University of Chicago and West Health, *Americans' Views on Healthcare Costs, Coverage and Policy*, March 2018 <https://www.norc.org/NewsEventsPublications/PressReleases/Pages/survey-finds-large-number-of-people-skipping-necessarymedical-care-because-cost.aspx>.
- <sup>2</sup> Naomi N. Levey, *100 Million People in America are Saddled with Health Care Debt*, Kaiser Health News, June 16, 2022, <https://khn.org/news/article/diagnosis-debt-investigation-100-million-americans-hidden-medical-debt/>.
- <sup>3</sup> Robert A. Berenson et al., *Addressing Health Care Market Consolidation and High Prices*, The Urban Institute [https://www.urban.org/sites/default/files/publication/101508/addressing\\_health\\_care\\_market\\_consolidation\\_and\\_high\\_prices\\_1.pdf](https://www.urban.org/sites/default/files/publication/101508/addressing_health_care_market_consolidation_and_high_prices_1.pdf).
- <sup>4</sup> Nisha Kurani and Cynthia Cox, "What drives health spending in the U.S. compared to other countries" Peterson-KFF Health System Tracker, September 25, 2020, <https://www.healthsystemtracker.org/>. See also, Drew DeSilver, "For Most U.S. Workers, Real Wages Have Barely Budged in Decades," Pew Research Center, August 7, 2018, <https://www.pewresearch.org/fact-tank/2018/08/07/for-most-us-workers-real-wages-have-barely-budged-fordecade>. See also, Health Care Cost Institute, 2020 Health Care Cost and Utilization Report, May 2022. [https://healthcostinstitute.org/images//pdfs/HCCI\\_2020\\_Health\\_Care\\_Cost\\_and\\_Utilization\\_Report.pdf](https://healthcostinstitute.org/images//pdfs/HCCI_2020_Health_Care_Cost_and_Utilization_Report.pdf). See Also, West Health, *The Healthcare Cost Crisis: An American Epidemic*. <https://healthcostcrisis.org/>, (ARC analysis of Healthcare Cost and Utilization Project, Agency for Healthcare Research and Quality).
- <sup>5</sup> Nisha Kurani and Cynthia Cox, "What drives health spending in the U.S. compared to other countries" Peterson-KFF Health System Tracker, September 25, 2020, <https://www.healthsystemtracker.org/>. See also, Health Care Cost Institute, 2020 Health Care Cost and Utilization Report, May 2022. [https://healthcostinstitute.org/images//pdfs/HCCI\\_2020\\_Health\\_Care\\_Cost\\_and\\_Utilization\\_Report.pdf](https://healthcostinstitute.org/images//pdfs/HCCI_2020_Health_Care_Cost_and_Utilization_Report.pdf). See also, West Health, *The Healthcare Cost Crisis: An American Epidemic*. <https://healthcostcrisis.org/>, (ARC analysis of Healthcare Cost and Utilization Project, Agency for Healthcare Research and Quality).
- <sup>6</sup> Drew DeSilver, "For Most U.S. Workers, Real Wages Have Barely Budged in Decades," Pew Research Center, August 7, 2018, <https://www.pewresearch.org/fact-tank/2018/08/07/for-most-us-workers-real-wages-have-barely-budged-fordecade>. See also, Institute of Medicine of the National Academies, *Best Care at Lower Cost: The Path to Continuously Learning Health Care in America*, eds. Mark Smith et al. (Washington, DC: National Academies Press, 2013), <https://www.nap.edu/catalog/13444/best-care-at-lower-cost-the-path-to-continuously-learning>.
- <sup>7</sup> Robert A. Berenson et al., *Addressing Health Care Market Consolidation and High Prices*, The Urban Institute [https://www.urban.org/sites/default/files/publication/101508/addressing\\_health\\_care\\_market\\_consolidation\\_and\\_high\\_prices\\_1.pdf](https://www.urban.org/sites/default/files/publication/101508/addressing_health_care_market_consolidation_and_high_prices_1.pdf).
- <sup>8</sup> Sarah Kliff and Jessica Silver-Greenberg, *Nonprofit Health System Pauses Policy of Cutting Off Care for Patients in Debt*, June 9, 2023. New York Times. <https://www.nytimes.com/2023/06/09/health/allina-health-nonprofit-medical-debt.html?smid=nytcore-ios-share&referringSource=articleShare>.
- <sup>9</sup> Rebecca Pifer, *SEIU accuses HCA of inappropriate patient transfers to hospice to boost profits, executive pay*, June 22, 2023. Industry Dive. <https://www.healthcaredive.com/news/hca-seiu-hospice-transfers-boost-profit/653473/>. See also, Gretchen Morgenson, "You're not God": Doctors and patient families say HCA hospitals push hospice care, June 21, 2023. NBC News. <https://www.nbcnews.com/health/health-care/doctors-say-hca-hospitals-push-patients-hospice-care-rcna81599>.
- <sup>10</sup> Michelle McGhee and Will Chase, *How America's top hospitals hound patients with predatory billing*, Axios. <https://www.axios.com/hospital-billing>. See also, Caitlin Owens, *America's biggest hospitals vs. their patients*, June 14, 2021, Axios. <https://www.axios.com/2021/06/14/hospitals-patients-lawsuits-billing>.
- <sup>11</sup> Bob Herman, Kate Sheridan, et al., *Health care's high rollers: As the pandemic raged CEOs' earnings surged*, July 18, 2022. Stat News. <https://www.statnews.com/2022/07/18/health-care-ceo-compensation-2021/>.



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