

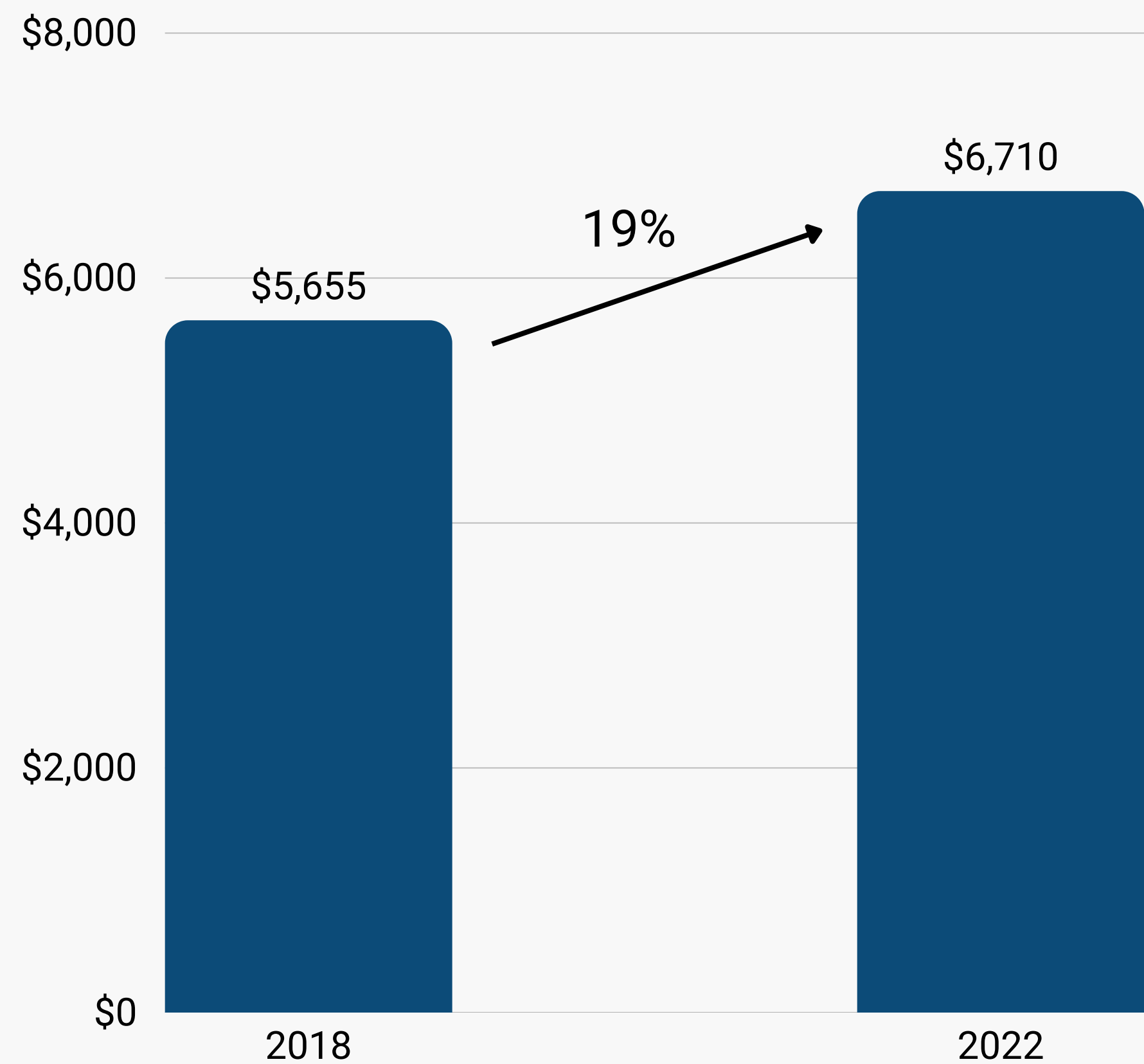
Why is Health Care Unaffordable?



The Bottom Line:

Health care is unaffordable because underlying health care costs are high and growing. In 2022, per person health care spending surpassed \$6,700, 19% higher than 2018.

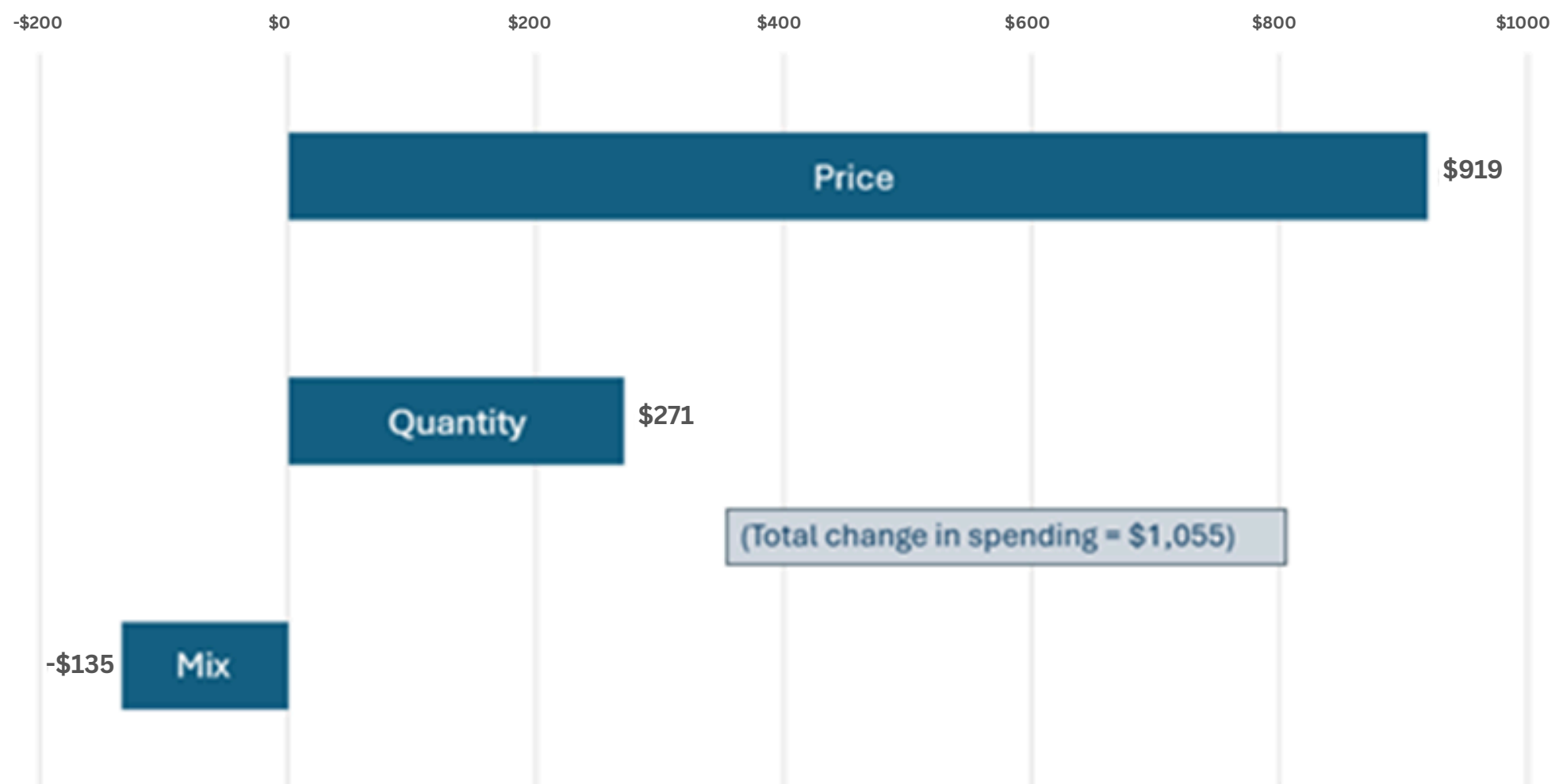
Total Spending Per Person on Health Care Services Among People with Employer-Sponsored Insurance



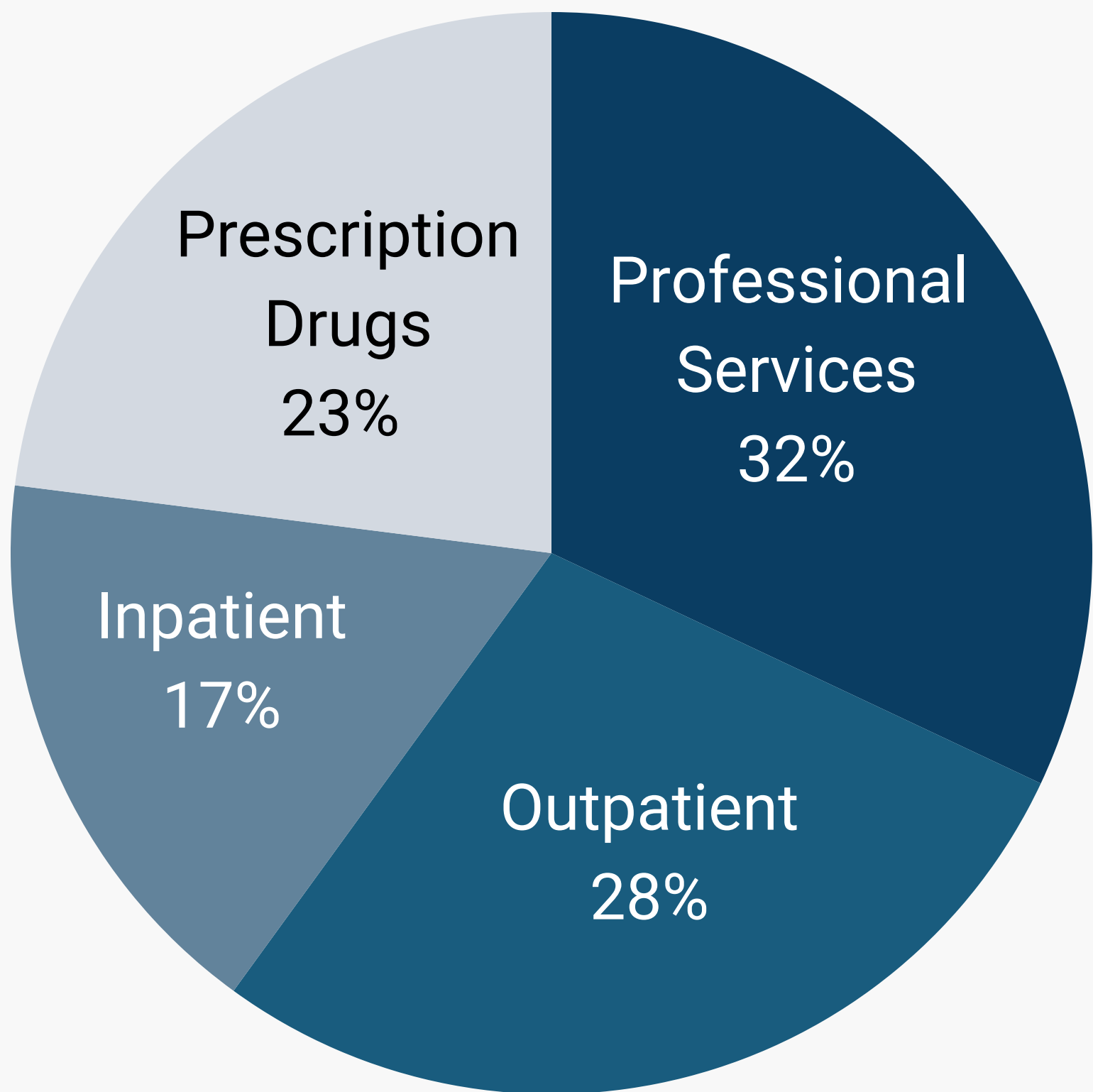
Prices are responsible for the lion's share of health care cost growth. From 2018-2022, per person spending increased by \$1,055. Prices accounted for \$919 of that increase.

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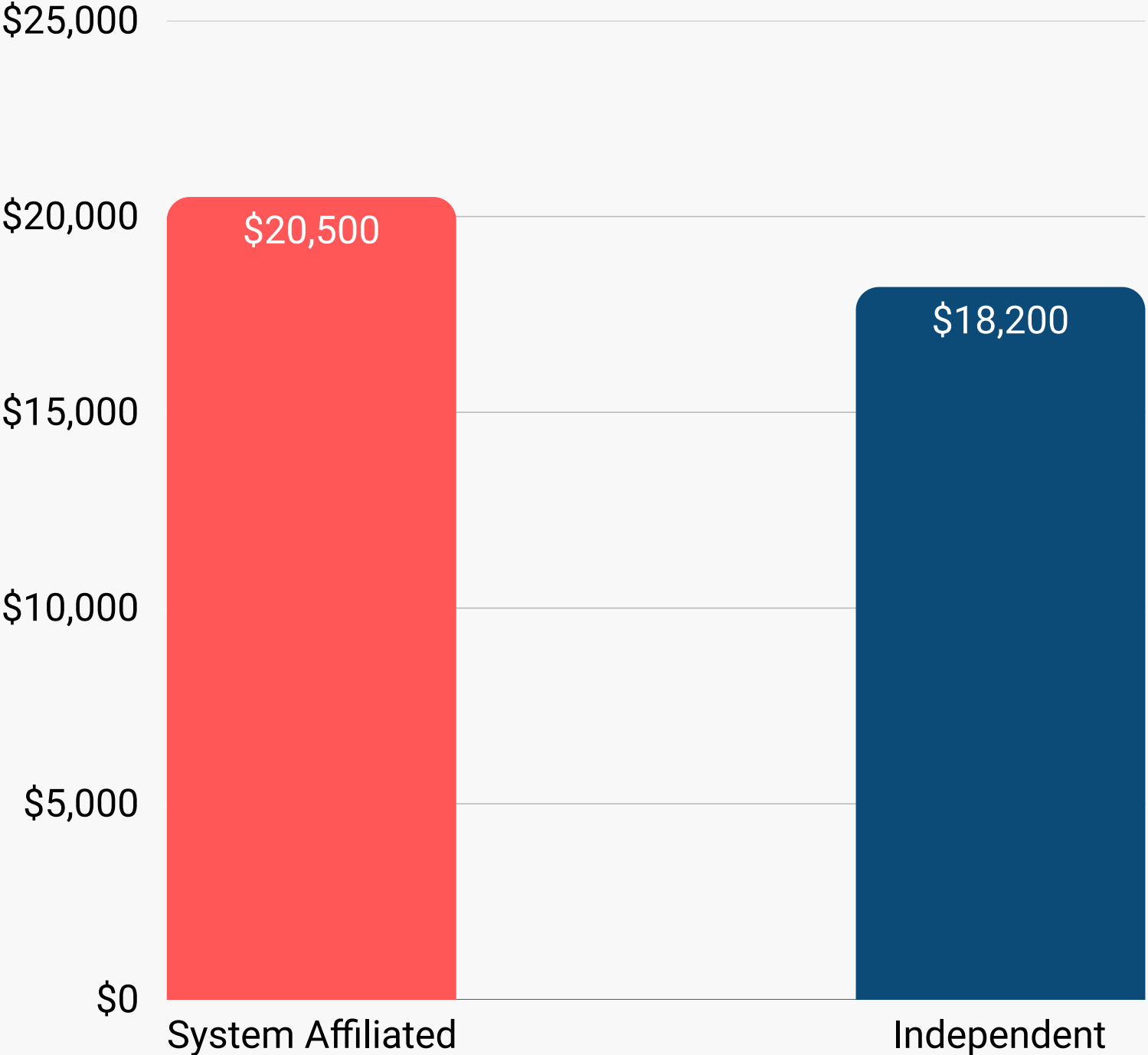
Nearly half of health spending goes to hospital facility costs, the largest sector of health spending.



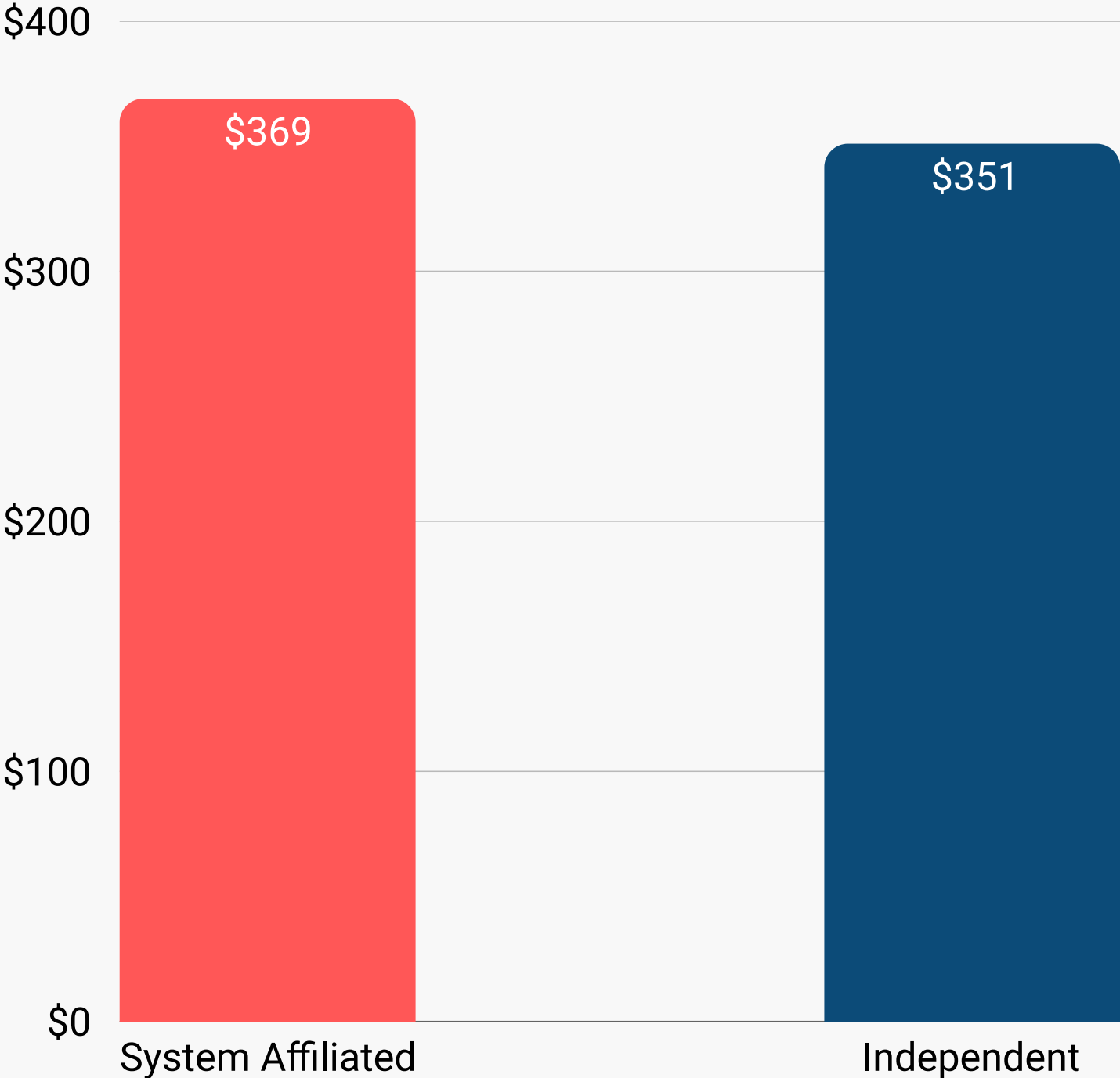
Lack of competition contributes to higher prices. Independent hospitals have lower prices than hospitals associated with a health system. In 2021, only 22% of hospitals were independent, down from 32% in 2012.

Prices Among System Affiliated vs Independent Hospitals, 2021

Inpatient

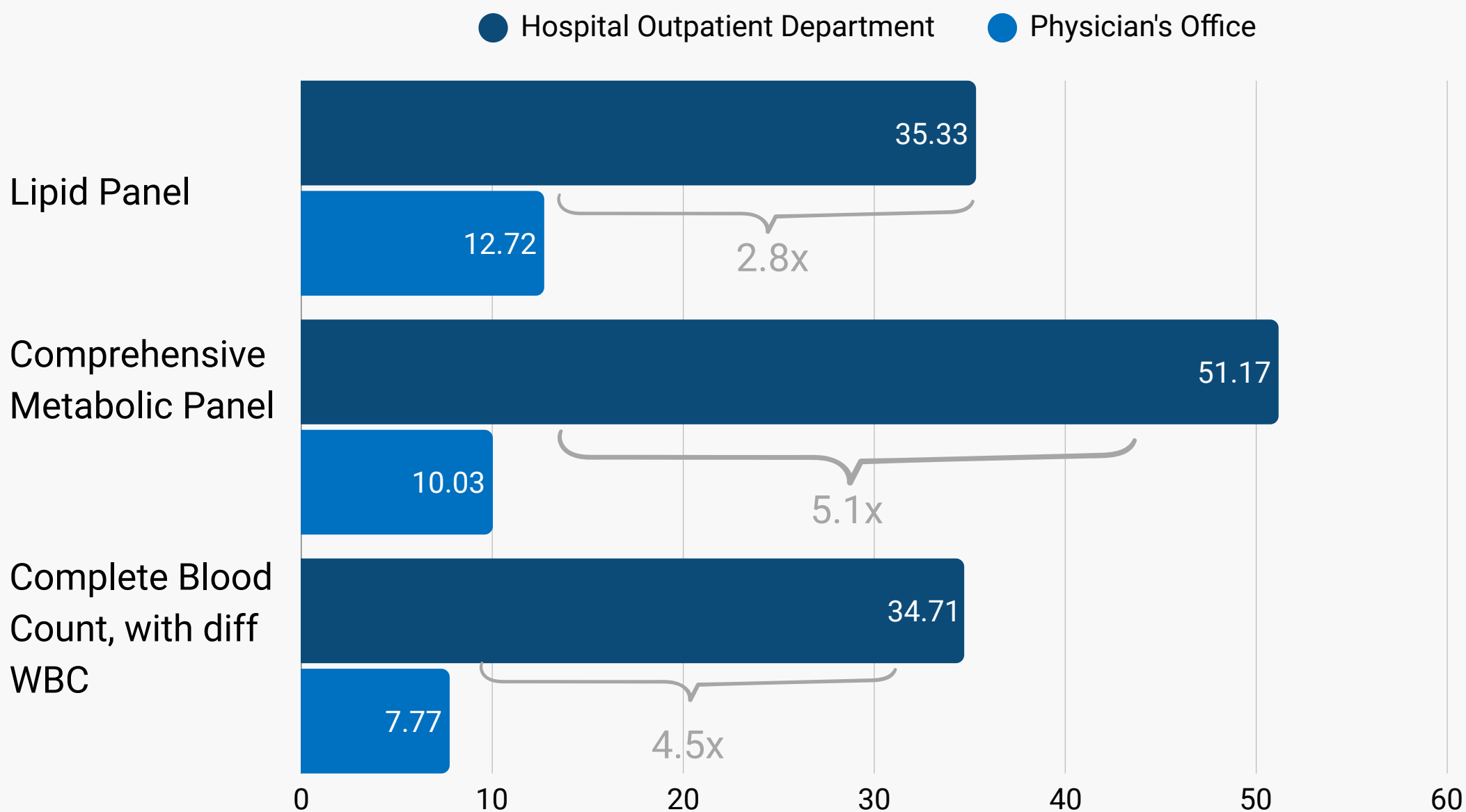


Outpatient



Site of service payment differences increase prices without additional quality or value. For the same service, prices are higher in hospital outpatient departments than in doctor's offices.

Median Price Per Lab Test by Site of Service





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