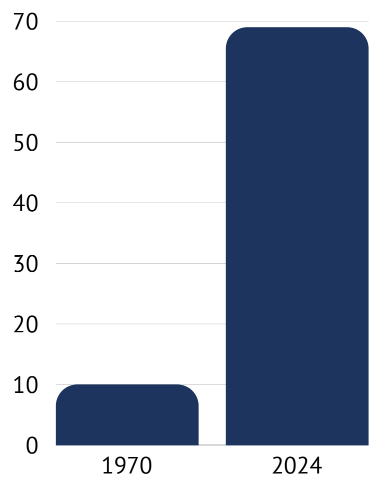
COUNCIL FOR AFFORDABLE
HEALTH COVERAGE

WHEN HOSPITALS GET BIGGER, COSTS GO UP

Healthcare consolidation is driving costs higher with little evidence of better quality.

HEALTHCARE HAS BECOME LESS COMPETITIVE, AND PATIENTS ARE PAYING THE PRICE

Large Health Systems Now Own Most Hospitals



Percent of Hospitals Owned By A Large Hospital System

More than **2,000 hospital mergers** have fueled a wave of consolidation across the healthcare system over the past two decades.[3]

Hospital mergers in concentrated markets can **raise prices** by as much as **65%** for patients.[4]

Spending on hospitals has increased by **$1 trillion** over the past two decades **as hospital consolidation has skyrocketed**.[1]

HOSPITAL CARE IS THE SINGLE LARGEST DRIVER OF HEALTH SPENDING GROWTH

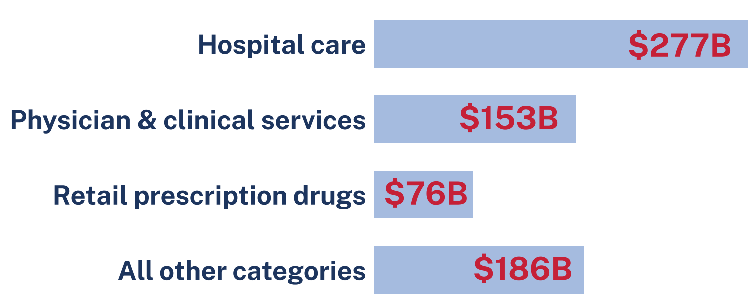
When hospital systems buy other hospitals or independent physician offices, they gain negotiating power to raise prices for patients. An additional $277 billion (out of $700 billion in total growth) went to hospitals between 2022 and 2024.

Hospital spending accounted for

40%

of the growth in national health spending 2022-2024, a far larger share than any other category.[1]

Share of 2022-2024 spending growth, by category[1]



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HOSPITALS CLAIM THE PROFITS. WHILE PATIENTS LOSE CHOICE.

97% of metropolitan areas have **highly concentrated markets for inpatient hospital care.**[5]

WHAT'S THE SOLUTION?

A better system is possible: one with more choices, clearer prices, stronger independent hospitals, and lower costs for American families.

Strengthen Antitrust Enforcement

Congress should make it easier for the FTC and DOJ to enforce antitrust law. Specific policies include: enhancing ownership transparency and tighter merger thresholds.

Increase Price Transparency

Greater price transparency would allow patients, employers, and plans to shop for healthcare and better foster competition.

Reduce Incentives to Consolidate

Site-neutral payment reforms, changes to 340b, and efforts to reduce the administrative burden faced by small practices.

Restoring competition should be Congress's top health care priority

Citations

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3. Patzman, A., & Neeck, M. (2026, January 29). *Health care provider consolidation.* Bipartisan Policy Center. https://bipartisanpolicy.org/issue-brief/health-care-provider-consolidation/
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