

S E V E N
L E T T E R
INSIGHT

To: Better Solutions for Healthcare
From: Seven Letter Insight
Date: May 16, 2023
Re: New Polling Data Shows Voters Demand an End to Unreasonable and Alarming Hospital Markups.

A new, nationwide, online survey of voters with employer-provided health insurance commissioned by Better Solutions for Healthcare and facilitated by Seven Letter Insight illuminates public opinion regarding hospital practices and the impact bad actors have on increased costs for patients and employers alike.

Better Solutions for Healthcare is a national coalition of employer and healthcare groups focused on educating employers, consumers, and lawmakers on the rising cost of healthcare and providing ideas on how we can work together to find better solutions that lower healthcare costs for ALL Americans.

Voters believe that hospital system healthcare pricing markups and lack of transparency have gone too far.

When corporate hospital systems charge more for prescription drugs and treatments, healthcare costs go up. U.S. hospital prices have risen to unreasonable and alarming levels according to voters – four times faster than workers’ paychecks. Employers, consumers, and taxpayers are picking up the tab. Over the last ten years alone, hospitals have been the [leading](#) driver of healthcare cost increases, including the cost borne by employers providing coverage to their employees.

Reports of extreme markups and lack of pricing transparency are becoming increasingly frequent throughout the country, signaling a significantly flawed consolidated corporate hospital model that prioritizes their bottom line over patients.

Provider consolidation is at the root of these extreme pricing examples. Roughly [70% of U.S. physicians](#) are employed by hospital systems or other corporate entities. On average, care delivered in a hospital setting is up to 300% more expensive than care delivered in an office setting.

For Americans, the survey shows that good healthcare isn’t about getting MORE healthcare. It’s about getting QUALITY healthcare. Unfortunately, when corporate hospital systems make decisions in the boardroom instead of the patient room, we all suffer. That’s why we need **long-term, patient-centered, and effective solutions.**

UNREASONABLE & ALARMING

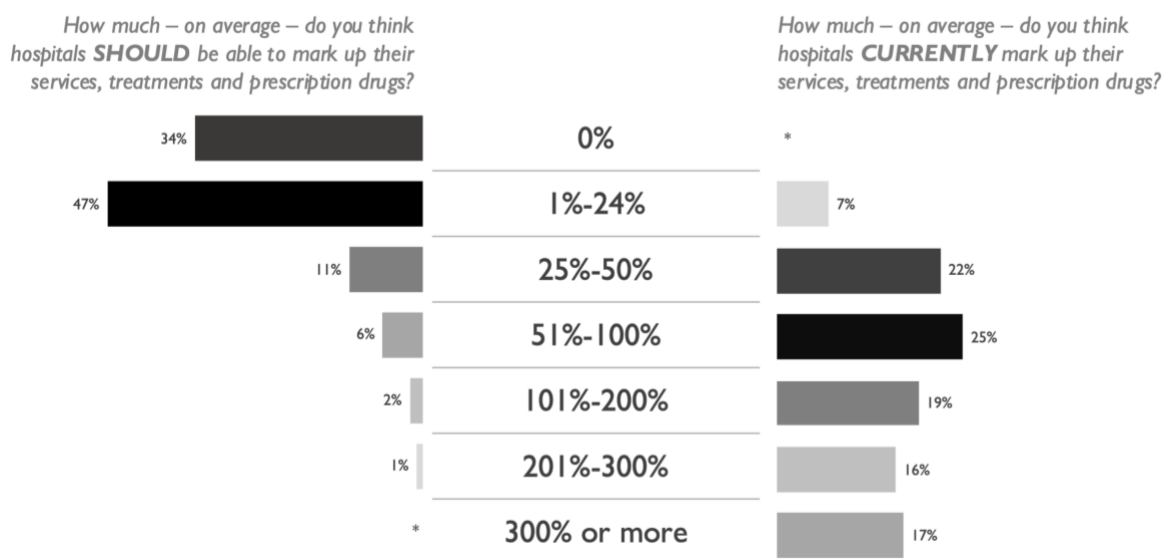
- A 28-year-old college student in Texas is reported to have received [a \\$17,850 bill](#) for a single urine test.
- An emergency room charged a father [\\$629 for his daughter to receive a band-aid.](#)
- Depending on which facility you choose, you might be charged either [\\$150 or \\$950 for the exact same blood](#)

KEY SURVEY FINDINGS:

1. Voters are feeling the impact of unreasonable and alarming corporate hospital healthcare markups.

Fully 92% agree that when hospitals charge more for prescriptions drugs and treatments, it causes their personal healthcare costs to increase – even those with employer provided health insurance plans. Of the 92% who agree, nearly half (46%) **strongly** agree. That level of intensity signifies a deep challenge for the industry.

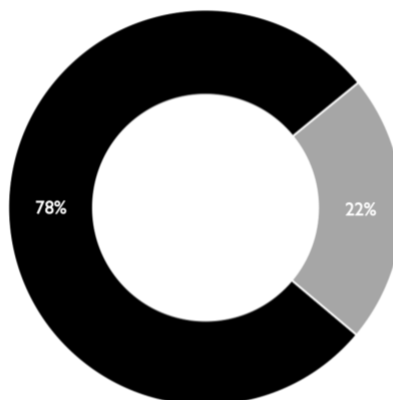
In fact, one third of voters don't think that hospitals should mark up prices at all. Another 47% think that markups should be limited to between 1%-24%. Compare this to the [roughly 200%-400%](#) that more than half of hospitals currently mark up medicine and treatment costs. A majority of voters don't realize this practice is currently happening. Only one third believe that hospital prices are marked up by more than 200%.



2. More than three quarters of voters believe the prices that hospitals charge for medical care are rising to 'unreasonable' levels. A majority of those who help select which health insurance plan their employer provides agree. And while voters believe health insurance providers are doing their best to keep up with costs, 93% of patients directly feel the consequences of markups on the prices they pay.

*The prices that hospitals, doctors, and drug companies charge for medical care – like prescription drugs, hospital visits and treatment – are rising to **unreasonable levels.***

Opinion Elite	HCDM
78%	56%

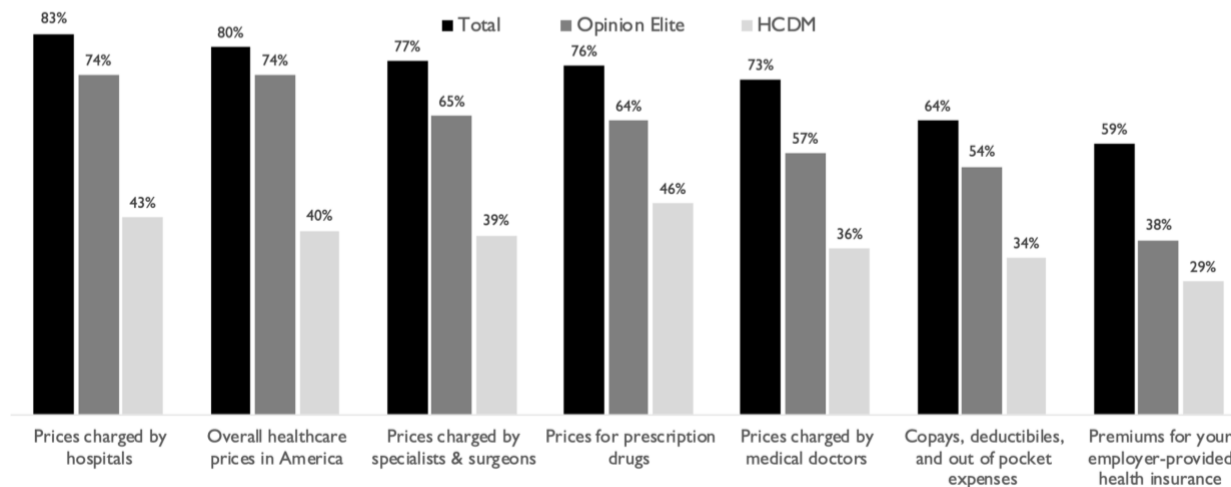


*The prices that hospitals, doctors, and drug companies charge for medical care – like prescription drugs, hospital visits and treatment – are **reasonable***

Opinion Elite	HCDM
22%	44%

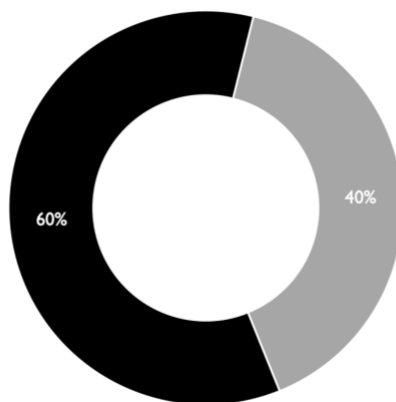
When asked which healthcare prices voters perceive as the **most** unreasonable, ‘prices charged by hospitals’ ranks the highest – even above ‘overall healthcare prices in America.’ And while all elements of healthcare pricing are viewed as ‘unreasonable,’ nearly two-thirds of voters (63%) believe that increased prices for medical care determine the cost of their insurance ... not the other way around. In fact, over two-thirds of voters believe that if they had a major medical emergency, their employer-provided health insurance would protect them from the majority of the hospital bill.

Are the following prices reasonable or unreasonable given the quality of service or product you’ve encountered in the past?
(showing only ‘Unreasonable’)



3. Voters believe that health provider consolidation is a bad thing. When corporate hospital systems take over smaller practices, both patient care and affordability suffer. Corporate hospitals prioritize their bottom line over our health by marking up prices and ordering tests or procedures that patients may not need. 95% of voters agree that providing *MORE* healthcare does not always mean the same thing as providing *QUALITY* healthcare.

Healthcare provider consolidation is a bad thing.
It means fewer choices and higher prices because there is less competition.



Healthcare provider consolidation is a good thing for Americans.
It makes the system less complex and leads to greater efficiencies within that hospital network.

Some voters do see potential quality and access benefits of individual providers joining larger hospital systems. That said, when it comes to affordability, over three quarters (77%) of voters don’t want to incur hospital administrative fees if they are seen at their local doctor’s office.

CONCLUSION:

Voters have had enough. Healthcare costs are growing at an alarming rate while waste, fraud, and abuse plague our healthcare system. Better Solutions for Healthcare fights to promote hospital competition, ensure honest provider billing, rein in unreasonable pricing markups, and deliver real healthcare pricing transparency – so that patients know what they’re getting.

SEVEN LETTER INSIGHT POLLING METHODOLOGY:

- *Field Dates: 4-18-23 to 4-26-23*
- *N = 1400 national voters with employer-provided health insurance*
- *n = 300 oversample of national voter opinion elites with employer-provided health insurance*
- *n = 100 oversample of national voter health care decision-makers with employer-provided health insurance*
- *Margin of Error: +/- 2.6%*
- *Our sampling took care to mirror nationwide voter ideology and geographic distribution, as well as proportional representation along key demographics such as age, income, education, ethnicity, gender, and community type.*