September 4, 2019

ACA Causes Hospital Prices Increases

The cost of care is rising, mostly due to hospital charges. For example, from 2013 to 2017 the hospital charges for a vaginal birth increased by six percent while the doctor’s charges for that birth only increased two percent. Meanwhile, hospital charges for an appendectomy increased 7.5 percent, while physician charges to remove the appendix have not increased at all.

There’s a lot of blame to throw around on rising prices for care and coverage, but much of it should be directed at Congress and the consolidation caused by the Affordable Care Act. The Act forced many insurers and hospitals out of business or into mergers, leaving the biggest players with insufficient competition and the freedom to raise prices.

