



## **Indiana's Hospital Facility Fees Are Among the Highest in the Country**

Several recent studies of commercial hospital prices across the United States have reached the same conclusion—Hoosiers pay much higher hospital prices, both for inpatient and outpatient services, than people in most other states. Professional physician fees, however, are lower in Indiana than in almost every other state.

### **Comparing Hospital Prices as a Percentage of Medicare**

Many of the studies that contrast hospital prices<sup>1</sup> across states first compute prices as a percentage of Medicare. A RAND study of hospital prices in 46 states released in September 2020 found that Indiana's hospital facility fees were the 5<sup>th</sup> highest in the country at 340% of Medicare rates.<sup>2</sup> Inpatient facility fees in Indiana were 317% of Medicare rates (9<sup>th</sup> highest in the country) and outpatient facility fees were 359% of Medicare rates (7<sup>th</sup> highest in the country).<sup>3</sup> Using a somewhat different data set, a Harvard University study found that Indiana's inpatient facility fees were 345% of Medicare rates (3<sup>rd</sup> highest in the country) and 385% of Medicare rates for outpatient facility fees (2<sup>nd</sup> highest in the country).<sup>4</sup>

As a percentage of Medicare, RAND's study shows that Indiana's overall hospital prices are about 29% higher than the national average of 263% of Medicare.<sup>5</sup> Looking at an unweighted state average, RAND shows that inpatient facility fees and outpatient facility fees are both 22% higher in Indiana than the average of the states. The data provided by RAND allow for a national average of the total hospital facility price (which factors in that some states have much higher hospital expenditures than other states) but not separate national average for the inpatient facility fee and outpatient facility fee.)<sup>6</sup> Harvard's study shows that Indiana's inpatient facility fees are 14% above average and Indiana's outpatient facility fees are 23% above average.<sup>7</sup>

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<sup>1</sup> Hospital prices in this report refer to the facility fees for inpatient and outpatient care and do not include the separate payments that physicians bill for services they provide in the hospital.

<sup>2</sup> <https://www.rand.org/health-care/projects/price-transparency/hospital-pricing/round3.html>

<sup>3</sup> Indiana has relatively high inpatient and outpatient facility fees, which is why the state's overall hospital price ranking is higher than the separate rankings for inpatient and outpatient facility fees.

<sup>4</sup> <https://www.healthaffairs.org/doi/10.1377/hlthaff.2019.01377>

<sup>5</sup> This calculation is  $(340\% - 263\%) / 263\%$ .

<sup>6</sup> The reason that Indiana's prices are 29% higher than the national average when they are only 22% higher than the state average is because states with larger populations have higher prices than states with less population. Therefore, the national average, which weights states based on the amount of hospital services, is higher than the unweighted average of the states.

<sup>7</sup> The state average from the Harvard Study is unweighted.



**Table 1: Indiana Hospital Facility Fees, as Percentage of Medicare**

	RAND study	RAND State avg	Harvard study	Harvard State Avg
Inpatient	317% (9 <sup>th</sup> )	259%	345% (3 <sup>rd</sup> )	302%
Outpatient	359% (7 <sup>th</sup> )	295%	385% (2 <sup>nd</sup> )	314%
Overall	340% (5 <sup>th</sup> ) <sup>8</sup>	263%*	Not Reported	Not Reported

Source: 2020 RAND study & 2020 Harvard study. These prices exclude physician professional fees. The state average is the unweighted average of the states assessed in the studies.

\* The overall RAND State average is weighted, meaning it is total payments to hospitals in facility fees divided by Medicare’s allowed amounts.

Medicare makes a variety of adjustments in determining payments to hospitals. These include the local cost of doing business, whether hospitals provide graduate medical education, whether they are classified as “critical access” facilities,<sup>9</sup> and the extent of treatment of low-income and uninsured patients. Teaching hospitals such as IU Health and Eskenazi Health that treat more indigent patients qualify for higher Medicare inpatient reimbursement rates. Consequently, they get paid higher Medicare payments for inpatient services than other Indiana hospitals. As a result of these adjustments, facilities that get higher Medicare inpatient reimbursements will tend to show lower private insurance-to-Medicare payment ratios.<sup>10</sup> Thus, hospitals like IU Health and Eskenazi Health appear better in Medicare-based comparisons relative to hospitals like Parkview and Community Health System, which have lower Medicare payments.

Of note, the adjustment in Medicare payment for education and indigent care only applies for inpatient services, not for outpatient services. Outpatient payment is based on a standard service fee schedule that varies by hospital location (e.g. wage adjustments and rural location) and patient complexity.

Table 2 shows Indiana’s hospital prices relative to those in the region. The first two columns show inpatient and outpatient facility fees, as a percent of Medicare, excluding professional physician service payments. The third column shows the hospital price—the combined inpatient and outpatient facility fees—as a percent of Medicare. The final column shows the physician professional fees. Indiana’s inpatient and outpatient facility fees are the highest in the region, and

<sup>8</sup> Supplemental Indiana-specific hospital data provided to Hoosiers for Affordable Healthcare shows that the inpatient facility fees as a percent of Medicare are 306% and the overall hospital facility fees as a percent of Medicare are 335%. According to information provided by RAND, the differences are due to a slightly different base because it includes claims without a professional physician fee.

<sup>9</sup> Critical access hospitals are rural hospitals that generally have 25 or fewer acute care inpatient beds, are located more than 35 miles from another hospital, maintain an average length of stay of 96 hours or less, and provide 24/7 emergency care services.

<sup>10</sup> That is, a larger denominator attributable to higher Medicare payments will, all else equal, tend to produce a lower ratio.



Indiana’s professional services are the second lowest in the region. Overall, Indiana’s hospital prices as a percent of Medicare, inclusive of physician professional services, exceed Michigan’s hospital prices by 71%.<sup>11</sup>

**Table 2: IN’s hospital prices, as % of Medicare, compared to the region**

State	Relative price, inpatient facility	Relative price, outpatient facility	Relative price, total hospital facility	Relative price, professional
IN	317%	359%	340%	131%
IL	252%	357%	305%	174%
WI	249%	315%	281%	337%
OH	241%	275%	257%	140%
KY	218%	248%	235%	115%
MI	216%	182%	199%	143%

### Comparing Hospital Prices as a Standardized Price

A second method to compare prices across hospitals is to compute a standardized price per service after applying a casemix adjustment. Unlike Medicare prices, these prices are not adjusted for the local cost of living or facility characteristics.

The 2020 RAND study included physician professional fees along with hospital facility fees in its standardized price calculations. Since Indiana has among the lowest physician professional fees in the nation, their inclusion resulted in Indiana having the 18<sup>th</sup> highest hospital inpatient prices and 16<sup>th</sup> highest hospital outpatient prices. Removing the physician fee component shows that Indiana has the 11<sup>th</sup> highest standardized inpatient facility fees, and the 7<sup>th</sup> highest standardized outpatient facility fees. The standardized price comparisons do not account for cost-of-living differences between states. Since Indiana is a relatively low cost-of-living state, hospital prices should be lower in Indiana all else being equal. Accounting for the cost-of-living differences and maintaining physician professional services shows that Indiana is the 7<sup>th</sup> highest for inpatient facility prices and the 8<sup>th</sup> highest for outpatient facility prices. Accounting for the cost-of-living differences across states and excluding physician professional services shows that Indiana has the 6<sup>th</sup> highest inpatient facility fees and the 5<sup>th</sup> highest outpatient facility fees.

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<sup>11</sup> (340%-199%)/199%



**Table 3: Indiana Hospital Prices, as Standardized Prices**

	<b>Hospital Inpatient Prices</b>	<b>Hospital Outpatient Prices</b>
Standardized Total Price (includes hospital facility and physician professional fees)	18 <sup>th</sup>	16 <sup>th</sup>
Standardized Hospital Price (excludes physician professional services)	11 <sup>th</sup>	7 <sup>th</sup>
Cost-of-Living Adjusted Standardized Total Price (includes physician professional services)	7 <sup>th</sup>	8 <sup>th</sup>
Cost-of-Living Adjusted Standardized Hospital Price (excludes physician professional services)	6 <sup>th</sup>	5 <sup>th</sup>

Source: 2020 RAND study and supplemental information provided by RAND.

Table 4 shows the adjusted standardized facility fees for Indiana compared to the average of the 47 states in the supplemental information provided by RAND. Indiana’s standardized facility fee for inpatient services was \$24,506, and the standardized facility fee for outpatient services was \$309. The standardized fees are a statistical measure used to contrast hospital prices. Both facility fees were well above the average of the states. For Indiana’s prices to reach the national average, they would need to drop by 23.2% for inpatient services and 25.2% for outpatient services.

**Table 4: Standardized Facility Fees, Indiana vs. State Average**

	<b>Inpatient</b>	<b>Outpatient</b>
Indiana	\$24,506	\$309
Average of States	\$18,810	\$231
Reduction Needed to Get to Avg	23.2%	25.2%

Note: The average of states is unweighted average of 47 states in the RAND study. It excludes Hawaii, Maryland, and North Dakota.

Two other studies confirm that Indiana has high hospital facility fees. A study by the Health Care Cost Institute (HCCI) found that hospital inpatient prices paid by employer plans in Indianapolis in 2017 were 30% above the national median, and hospital outpatient prices in Indianapolis were 21% above the national median.<sup>12</sup> As mentioned above, the Harvard study, which used a percent of Medicare methodology, assessed 14 million commercial employees across 48 states and found that Indiana had the 2<sup>nd</sup> highest facility fees for outpatient hospital services and 3<sup>rd</sup> highest

<sup>12</sup> <https://healthcostinstitute.org/hcci-originals/hmi-interactive#HMI-Price-Index>. This was not a percent of Medicare methodology.



facility fees for inpatient services.<sup>13</sup> The Harvard study also found that Indiana’s physician professional fees were the 3<sup>rd</sup> lowest in the country. Physicians who are employed by hospitals are paid a portion of the facility fee. Given the high facility fees and low professional service fees, doctors in Indiana have a particularly large incentive to become hospital employees and sell their independent practices.

### **Price Comparisons Within Indiana Hospitals**

RAND provided supplemental information that showed prices, both as percent of Medicare and as standardized prices, by U.S. hospital system. The figures in Tables 5-7 exclude the professional physician payment and represent the facility fee that hospitals receive for inpatient and outpatient services. The tables show that the larger hospital systems in Indiana have much higher prices than the smaller, independent hospitals in Indiana as well as much higher prices relative to the national average. Table 5 shows standardized prices by Indiana hospital system for the inpatient and outpatient facility fee, including the Indiana hospital average and the average hospital prices across the states. It also shows each Indiana hospital system’s prices as a percentage of the state average. Table 6 shows the same price information by hospital system, except as a percent of Medicare. Table 7 shows the total hospital price—combined inpatient and outpatient facility fees—as a percent of Medicare and relative to the national average. The appendix contains tables that include the professional physician fee to show how Indiana hospital systems compare to other systems around the country if those fees are included.

### **Conclusion**

Regardless of methodology used to compare hospital prices, Indiana’s hospital facility fees are among the highest in the country. For commercial hospital prices in Indiana to reflect average prices in the rest of the country, they would need to be lowered by approximately 25% on average.

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<sup>13</sup> <https://www.healthaffairs.org/doi/10.1377/hlthaff.2019.01377>



**Table 5: Standardized Prices for Inpatient and Outpatient Fees, by Hospital System**

<i>Inpatient Services</i>			<i>Outpatient Services</i>		
<b>Hospital system</b>	<b>Standard-ized Price</b>	<b>% of state avg.</b>	<b>Hospital system</b>	<b>Standard-ized Price</b>	<b>% of state avg.</b>
Indiana University Health	\$31,045	165.0%	Parkview Health System	\$428	185.3%
Ascension Health	\$25,870	137.5%	Ascension Health	\$356	154.1%
Community Health Network	\$25,540	135.8%	Community Health Network	\$353	152.8%
Franciscan Health	\$25,319	134.6%	Indiana University Health	\$337	145.9%
<b><i>Indiana hospital average</i></b>	<b><i>\$24,507</i></b>	<b><i>130.3%</i></b>	Columbus Regional Health	\$327	141.6%
Eskenazi Health	\$24,220	128.8%	Schneck Medical Center	\$312	135.1%
Trinity Health	\$23,798	126.5%	Riverview Health	\$310	134.2%
Parkview Health System	\$22,200	118.0%	<b><i>Indiana hospital average</i></b>	<b><i>\$309</i></b>	<b><i>133.8%</i></b>
Beacon Health System	\$20,533	109.2%	Hendricks Regional Health	\$305	132.0%
Deaconess Health System	\$19,214	102.1%	Union Health	\$304	131.6%
Schneck Medical Center	\$19,090	101.5%	Franciscan Health	\$290	125.5%
Columbus Regional Health	\$18,888	100.4%	Beacon Health System	\$288	124.7%
<b><i>Average across all states</i></b>	<b><i>\$18,810</i></b>	<b><i>100.0%</i></b>	Community Foundation of Northwest	\$264	114.3%
Riverview Health	\$18,359	97.6%	Community Health Systems	\$261	113.0%
Union Health	\$18,091	96.2%	Deaconess Health System	\$244	105.6%
Community Health Systems	\$17,902	95.2%	Independent (CAH)	\$244	105.6%
Community Foundation of Northwest	\$17,896	95.1%	Trinity Health	\$236	102.2%
Hendricks Regional Health	\$16,026	85.2%	<b><i>Average across all states</i></b>	<b><i>\$231</i></b>	<b><i>100.0%</i></b>
Little Company of Mary Hospital and Health Care Centers	\$14,885	79.1%	Little Company of Mary Hospital and Health Care Centers	\$210	90.9%
Independent (IPPS)	\$13,342	70.9%	Eskenazi Health	\$210	90.9%
Independent (CAH)	\$12,238	65.1%	Independent (IPPS)	\$190	82.3%
Baptist Healthcare System	\$12,146	64.6%	Lifepoint Health	\$160	69.3%
Lifepoint Health	\$8,860	47.1%	Baptist Healthcare System	\$159	68.8%

Note: These data exclude the professional physician fee, to reflect the facility fees for inpatient and outpatient services. They were provided by the RAND Corporation. The Indiana hospital prices were divided by 0.91 to reflect Indiana's lower state cost of living and so the prices can be best compared to the average across all states.



**Table 6: Inpatient and Outpatient Fees as Percent of Medicare, by Hospital System**

<i>Inpatient Services</i>			<i>Outpatient Services</i>		
<b>Hospital system</b>	<b>% of Medicare</b>	<b>% of state avg.</b>	<b>Hospital system</b>	<b>% of Medicare</b>	<b>% of state avg.</b>
Indiana University Health	343%	132.4%	Parkview Health System	530%	179.7%
Parkview Health System	336%	129.7%	Community Health Network	409%	138.6%
Franciscan Health	333%	128.6%	Schneck Medical Center	399%	135.3%
Ascension Health	323%	124.7%	Ascension Health	397%	134.6%
Trinity Health	315%	121.6%	Indiana University Health	387%	131.2%
Community Health Network	307%	118.5%	Columbus Regional Health	375%	127.1%
<b><i>Indiana hospital average</i></b>	<b>306%</b>	<b>118.1%</b>	<b><i>Indiana hospital average</i></b>	<b>359%</b>	<b>121.7%</b>
Deaconess Health System	289%	111.6%	Hendricks Regional Health	355%	120.3%
Schneck Medical Center	276%	106.6%	Riverview Health	355%	120.3%
Community Health Systems	263%	101.5%	Union Health	349%	118.3%
Beacon Health System	261%	100.8%	Beacon Health System	343%	116.3%
<b><i>Average across all states</i></b>	<b>259%</b>	<b>100.0%</b>	Franciscan Health	340%	115.3%
Columbus Regional Health	253%	97.7%	Community Health Systems	329%	111.5%
Riverview Health	247%	95.4%	Community Foundation of Northwest	306%	103.7%
Community Foundation of Northwest	245%	94.6%	Deaconess Health System	302%	102.4%
Union Health	235%	90.7%	<b><i>Average across all states</i></b>	<b>295%</b>	<b>100.0%</b>
Little Company of Mary Hospital and Health Care Centers	233%	90.0%	Trinity Health	293%	99.3%
Hendricks Regional Health	226%	87.3%	Little Company of Mary Hospital and Health Care Centers	268%	90.8%
Eskenazi Health	220%	84.9%	Eskenazi Health	235%	79.7%
Independent (IPPS)	198%	76.4%	Independent (IPPS)	225%	76.3%
Baptist Healthcare System	187%	72.2%	Baptist Healthcare System	203%	68.8%
Lifepoint Health	136%	52.5%	Lifepoint Health	202%	68.5%

Note: Supplemental information provided by RAND showed Indiana’s hospital system average for inpatient services at 306% of Medicare, rather than 317% of Medicare. According to information provided by RAND, the differences are due to a slightly different base because it includes claims without a professional physician fee.





**Table 7: Hospital Fees as Percent of Medicare, by Hospital System**

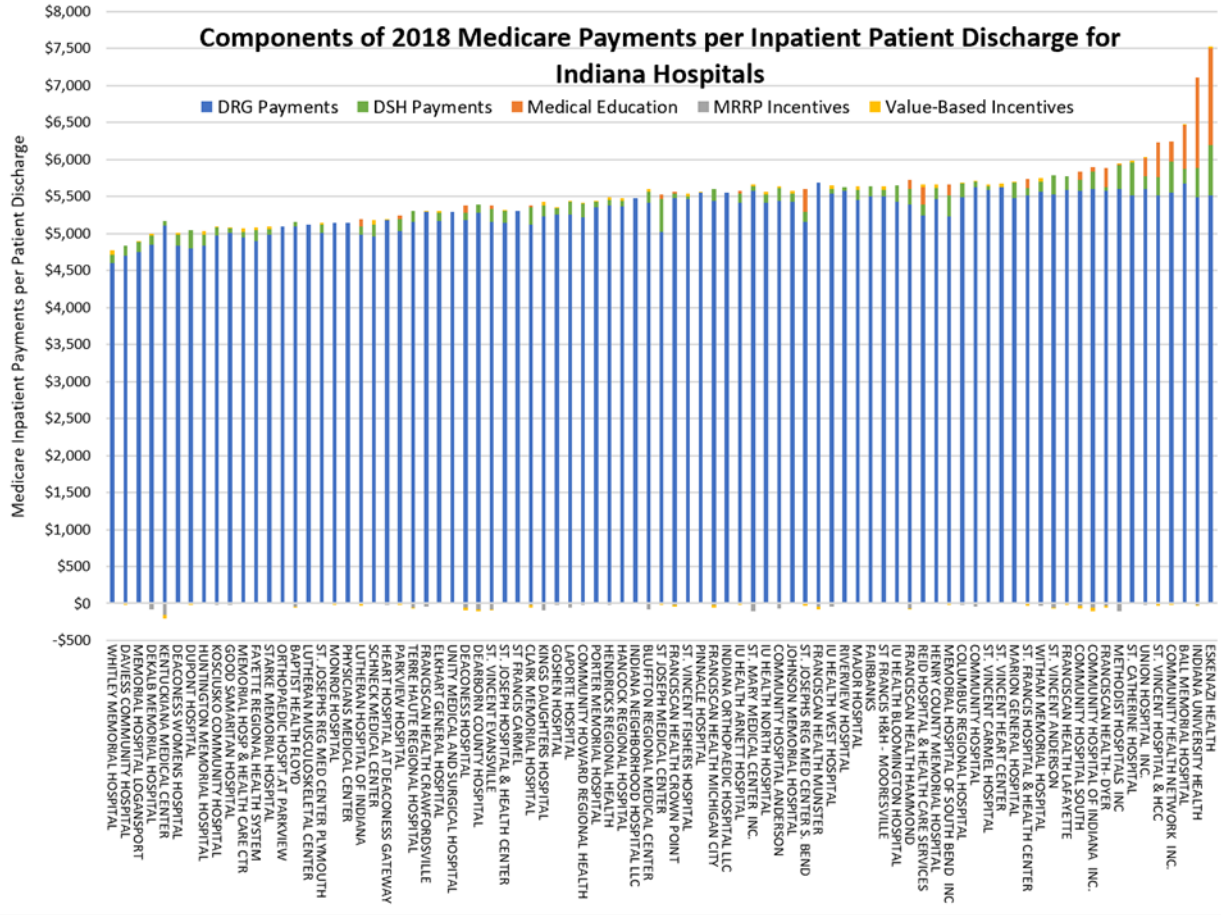
<b>Hospital System</b>	<b>Hospital (Inpatient + Outpatient) Facility Fee</b>	<b>% of national avg.</b>
Parkview Health System	439%	166.9%
Schneck Medical Center	366%	139.2%
Indiana University Health	364%	138.4%
Ascension Health	360%	136.9%
Community Health Network	355%	135.0%
Franciscan Health	337%	128.1%
<b><i>Indiana hospital system average</i></b>	<b><i>335%</i></b>	<b><i>127.4%</i></b>
Columbus Regional Health	318%	120.9%
Riverview Health	317%	120.5%
Hendricks Regional Health	312%	118.6%
Union Health	310%	117.9%
Trinity Health	304%	115.6%
Community Health Systems	298%	113.3%
Deaconess Health System	297%	112.9%
Beacon Health System	296%	112.5%
Community Foundation of Northwest	283%	107.6%
<b><i>National Average</i></b>	<b><i>263%</i></b>	<b><i>100.0%</i></b>
Little Company of Mary Hospital	260%	98.9%
Eskenazi Health	226%	85.9%
Independent (IPPS)	216%	82.1%
Baptist Healthcare System	196%	74.5%
Lifepoint Health	178%	67.7%
Independent (CAH)	174%	66.2%

Note: These data exclude the professional physician fee, so reflect the combined facility fees for inpatient and outpatient services. The Indiana hospital system data was provided by the RAND Corporation as supplemental information. This data showed hospital prices as 335% of Medicare, slightly less than the 340% shown in the publicly available information. According to information provided by RAND, the differences are due to a slightly different base because it includes claims without a professional physician fee.





Appendix





**Table 5a: Standardized Prices for Inpatient Hospital Care, by Hospital System**

<i>Excluding the Professional Physician Fee</i>			<i>Including the Professional Physician Fee</i>		
Hospital system	Inpatient Services	% of state avg.	Hospital system	Inpatient Services	% of state avg.
Indiana University Health	\$31,045	165.0%	Indiana University Health	\$34,252	152.6%
Ascension Health	\$25,870	137.5%	Ascension Health	\$28,696	127.8%
Community Health Network	\$25,540	135.8%	Community Health Network	\$27,887	124.2%
Franciscan Health	\$25,319	134.6%	Franciscan Health	\$27,226	121.3%
<b>Indiana hospital average</b>	<b>\$24,507</b>	<b>130.3%</b>	<b>Indiana hospital average</b>	<b>\$27,005</b>	<b>120.3%</b>
Eskenazi Health	\$24,220	128.8%	Parkview Health System	\$24,771	110.4%
Trinity Health	\$23,798	126.5%	Beacon Health System	\$23,757	105.8%
Parkview Health System	\$22,200	118.0%	<b>Average across all states</b>	<b>\$22,446</b>	<b>100.0%</b>
Beacon Health System	\$20,533	109.2%	Deaconess Health System	\$21,058	93.8%
Deaconess Health System	\$19,214	102.1%	Schneck Medical Center	\$21,022	93.7%
Schneck Medical Center	\$19,090	101.5%	Columbus Regional Health	\$20,305	90.5%
Columbus Regional Health	\$18,888	100.4%	Community Health Systems	\$20,293	90.4%
<b>Average across all states</b>	<b>\$18,810</b>	<b>100.0%</b>	Union Health	\$19,999	89.1%
Riverview Health	\$18,359	97.6%	Hendricks Regional Health	\$18,213	81.1%
Union Health	\$18,091	96.2%	Little Company of Mary Hospital and Health Care Centers	\$17,120	76.3%
Community Health Systems	\$17,902	95.2%	Independent (CAH)	\$15,367	68.5%
Community Foundation of Northwest	\$17,896	95.1%	Independent (IPPS)	\$14,613	65.1%
Hendricks Regional Health	\$16,026	85.2%	Baptist Healthcare System	\$13,798	61.5%
Little Company of Mary Hospital and Health Care Centers	\$14,885	79.1%	Lifepoint Health	\$10,358	46.1%
Independent (IPPS)	\$13,342	70.9%			
Independent (CAH)	\$12,238	65.1%			
Baptist Healthcare System	\$12,146	64.6%			
Lifepoint Health	\$8,860	47.1%			

Note: The second and third columns are replicated from Table 5 and exclude the professional physician fee to reflect the facility fees for inpatient services. The fifth and sixth columns include the professional physician fee. The data was provided by the RAND Corporation. The Indiana hospital prices were divided by 0.91 to reflect Indiana's lower state cost of living and so the prices can be best compared to the average across all states.



**Table 5b: Standardized Prices for Outpatient Hospital Care, by Hospital System**

<i>Excluding the Professional Physician Fee</i>			<i>Including the Professional Physician Fee</i>		
<b>Hospital system</b>	<b>Outpatient Services</b>	<b>% of state avg.</b>	<b>Hospital system</b>	<b>Outpatient Services</b>	<b>% of state avg.</b>
Parkview Health System	\$428	185.3%	Parkview Health System	\$467	170.9%
Ascension Health	\$356	154.1%	Ascension Health	\$387	141.6%
Community Health Network	\$353	152.8%	Community Health Network	\$384	140.6%
Indiana University Health	\$337	145.9%	Indiana University Health	\$362	132.7%
Columbus Regional Health	\$327	141.6%	Columbus Regional Health	\$359	131.6%
Schneck Medical Center	\$312	135.1%	Schneck Medical Center	\$353	129.2%
Riverview Health	\$310	134.2%	<b><i>All hospitals in the study</i></b>	<b>\$338</b>	<b>123.9%</b>
<b><i>Indiana hospital average</i></b>	<b>\$309</b>	<b>133.8%</b>	Beacon Health System	\$330	120.8%
Hendricks Regional Health	\$305	132.0%	Union Health	\$330	120.8%
Union Health	\$304	131.6%	Hendricks Regional Health	\$326	119.3%
Franciscan Health	\$290	125.5%	Franciscan Health	\$316	115.7%
Beacon Health System	\$288	124.7%	Community Health Systems	\$291	106.5%
Community Foundation of Northwest	\$264	114.3%	Deaconess Health System	\$277	101.5%
Community Health Systems	\$261	113.0%	Independent (CAH)	\$275	100.8%
Deaconess Health System	\$244	105.6%	<b><i>Average Across States</i></b>	<b>\$273</b>	<b>100.0%</b>
Independent (CAH)	\$244	105.6%	Little Company of Mary Hospital and Health Care Centers	\$249	91.1%
Trinity Health	\$236	102.2%	Independent (IPPS)	\$219	80.2%
<b><i>Average across all states</i></b>	<b>\$231</b>	<b>100.0%</b>	Baptist Healthcare System	\$186	68.2%
Little Company of Mary Hospital and Health Care Centers	\$210	90.9%	Lifepoint Health	\$181	66.3%
Eskenazi Health	\$210	90.9%			
Independent (IPPS)	\$190	82.3%			

Note: The second and third columns are replicated from Table 5 and exclude the professional physician fee to reflect the facility fees for outpatient services. The fifth and sixth columns include the professional physician fee. The data was provided by the RAND Corporation. The Indiana hospital prices were divided by 0.91 to reflect Indiana’s lower state cost of living and so the prices can be best compared to the average across all states.



**Table 6a: Inpatient Fees as Percent of Medicare, by Hospital System**

<i>Excluding the Professional Physician Fee</i>			<i>Including the Professional Physician Fee</i>		
Hospital system	Price as % of Medicare	% of state avg.	Hospital system	Price as % of Medicare	% of state avg.
Indiana University Health	343%	132.4%	Indiana University Health	328%	142.0%
Parkview Health System	336%	129.7%	Parkview Health System	315%	136.4%
Franciscan Health	333%	128.6%	Ascension Health	308%	133.3%
Ascension Health	323%	124.7%	Franciscan Health	297%	128.6%
Trinity Health	315%	121.6%	Community Health Network	289%	125.1%
Community Health Network	307%	118.5%	<b><i>Indiana hospital average</i></b>	288%	124.7%
<b><i>Indiana hospital average</i></b>	306%	118.1%	Deaconess Health System	267%	115.6%
Deaconess Health System	289%	111.6%	Beacon Health System	250%	108.2%
Schneck Medical Center	276%	106.6%	Schneck Medical Center	250%	108.2%
Community Health Systems	263%	101.5%	Community Health Systems	245%	106.1%
Beacon Health System	261%	100.8%	Columbus Regional Health	232%	100.4%
<b><i>Average across all states</i></b>	259%	100.0%	<b><i>Average across all states</i></b>	<b>231%</b>	<b>100.0%</b>
Columbus Regional Health	253%	97.7%	Little Company of Mary Hospital and Health Care Centers	228%	98.7%
Riverview Health	247%	95.4%	Union Health	220%	95.2%
Community Foundation of Northwest	245%	94.6%	Hendricks Regional Health	213%	92.2%
Union Health	235%	90.7%	Independent (IPPS)	182%	78.8%
Little Company of Mary Hospital and Health Care Centers	233%	90.0%	Baptist Healthcare System	173%	74.9%
Hendricks Regional Health	226%	87.3%	Lifepoint Health	134%	58.0%
Eskenazi Health	220%	84.9%	Independent (CAH)	113%	48.9%
Independent (IPPS)	198%	76.4%			
Baptist Healthcare System	187%	72.2%			
Lifepoint Health	136%	52.5%			

Note: The second and third columns are replicated from Table 6 and exclude the professional physician fee to reflect the facility fees for inpatient services. The fifth and sixth columns include the professional physician fee. Supplemental information provided by RAND showed Indiana’s hospital system average for inpatient services at 306% of Medicare, rather than 317% of Medicare. According to information provided by RAND, the differences are due to a slightly different base because it includes claims without a professional physician fee.



**Table 6b: Outpatient Fees as Percent of Medicare, by Hospital System**

<i>Excluding the Professional Physician Fee</i>			<i>Including the Professional Physician Fee</i>		
<b>Hospital system</b>	<b>Price as % of Medicare</b>	<b>% of state avg.</b>	<b>Hospital system</b>	<b>Price as % of Medicare</b>	<b>% of state avg.</b>
Parkview Health System	530%	179.7%	Parkview Health System	442%	165.5%
Community Health Network	409%	138.6%	Schneck Medical Center	362%	135.6%
Schneck Medical Center	399%	135.3%	Community Health Network	357%	133.7%
Ascension Health	397%	134.6%	Ascension Health	348%	130.3%
Indiana University Health	387%	131.2%	Indiana University Health	338%	126.6%
Columbus Regional Health	375%	127.1%	Columbus Regional Health	327%	122.5%
<b><i>Indiana hospital average</i></b>	<b><i>359%</i></b>	<b><i>121.7%</i></b>	Beacon Health System	317%	118.7%
Hendricks Regional Health	355%	120.3%	<b><i>Indiana hospital average</i></b>	<b><i>315%</i></b>	<b><i>118.0%</i></b>
Riverview Health	355%	120.3%	Union Health	310%	116.1%
Union Health	349%	118.3%	Hendricks Regional Health	307%	115.0%
Beacon Health System	343%	116.3%	Franciscan Health	299%	112.0%
Franciscan Health	340%	115.3%	Community Health Systems	287%	107.5%
Community Health Systems	329%	111.5%	Deaconess Health System	268%	100.4%
Community Foundation of Northwest	306%	103.7%	<b><i>Average across all states</i></b>	<b><i>267%</i></b>	<b><i>100.0%</i></b>
Deaconess Health System	302%	102.4%	Little Company of Mary Hospital and Health Care Centers	248%	92.9%
<b><i>Average across all states</i></b>	<b><i>295%</i></b>	<b><i>100.0%</i></b>	Independent (IPPS)	200%	74.9%
Trinity Health	293%	99.3%	Independent (CAH)	189%	70.8%
Little Company of Mary Hospital and Health Care Centers	268%	90.8%	Baptist Healthcare System	186%	69.7%
Eskenazi Health	235%	79.7%	Lifepoint Health	186%	69.7%
Independent (IPPS)	225%	76.3%			
Baptist Healthcare System	203%	68.8%			
Lifepoint Health	202%	68.5%			

Note: The second and third columns are replicated from Table 6 and exclude the professional physician fee to reflect the facility fees for outpatient services. The fifth and sixth columns include the professional physician fee. Supplemental information provided by RAND showed Indiana’s hospital system average for inpatient services at 306% of Medicare, rather than 317% of Medicare. According to information provided by RAND, the differences are due to a slightly different base because it includes claims without a professional physician fee.



**Table 7a: Hospital (Inpatient + Outpatient) Payments as Percent of Medicare, by Hospital System**

<i>Excluding the Professional Physician Fee</i>			<i>Including the Professional Physician Fee</i>		
<b>Hospital System</b>	<b>Price as % of Medicare</b>	<b>% of national avg.</b>	<b>Hospital System</b>	<b>Price as % of Medicare</b>	<b>% of national avg.</b>
Parkview Health System	439%	166.9%	Parkview Health System	387%	156.7%
Schneck Medical Center	366%	139.2%	Indiana University Health	333%	134.8%
Indiana University Health	364%	138.4%	Schneck Medical Center	333%	134.8%
Ascension Health	360%	136.9%	Ascension Health	330%	133.6%
Community Health Network	355%	135.0%	Community Health Network	324%	131.2%
Franciscan Health	337%	128.1%	<b><i>Indiana hospital system average</i></b>	<b><i>303%</i></b>	<b><i>122.7%</i></b>
<b><i>Indiana hospital system average</i></b>	<b><i>335%</i></b>	<b><i>127.4%</i></b>	Franciscan Health	298%	120.6%
Columbus Regional Health	318%	120.9%	Columbus Regional Health	287%	116.2%
Riverview Health	317%	120.5%	Beacon Health System	282%	114.2%
Hendricks Regional Health	312%	118.6%	Union Health	282%	114.2%
Union Health	310%	117.9%	Hendricks Regional Health	278%	112.6%
Trinity Health	304%	115.6%	Community Health Systems	270%	109.3%
Community Health Systems	298%	113.3%	Deaconess Health System	268%	108.5%
Deaconess Health System	297%	112.9%	<b><i>National Average</i></b>	<b><i>247%</i></b>	<b><i>100.0%</i></b>
		112.5%	Little Company of Mary Hospital and Health Care Centers	245%	99.2%
Beacon Health System	296%		Independent (IPPS)	194%	78.5%
Community Foundation of Northwest	283%	107.6%			
<b><i>National Average</i></b>	<b><i>263%</i></b>	100.0%	Baptist Healthcare System	180%	72.9%
Little Company of Mary Hospital	260%	98.9%	Lifepoint Health	168%	68.0%
Eskenazi Health	226%	85.9%	Independent (CAH)	166%	67.2%
Independent (IPPS)	216%	82.1%			
Baptist Healthcare System	196%	74.5%			
Lifepoint Health	178%	67.7%			
Independent (CAH)	174%	66.2%			

Note: The second and third columns are replicated from Table 7 and exclude the professional physician fee to reflect the hospital facility fee (inpatient plus outpatient). The fifth and sixth columns include the professional physician fee. The Indiana hospital system data was provided by the RAND Corporation as supplemental information. This data showed hospital prices as 335% of Medicare, slightly less than the 340% shown in the publicly available information. According to information provided by RAND, the differences are due to a slightly different base because it includes claims without a professional physician fee.