

WHY INDIANA'S HOSPITAL

MARKET IS NOT A FREE MARKET

HOOSIERS *for*
AFFORDABLE
HEALTHCARE

What is a free market?

A free market is one where a voluntary exchange is based on price, quality, and service with numerous suppliers and numerous customers.



IN A FREE MARKET

- ✓ Consumers shop for the best value—high quality, low and knowable price, and best service.
- ✓ Consumers make buying decisions based on market research and recommendations from friends and associates.
- ✓ Competitors market their low prices, superior quality, and superior service.



IN THE INDIANA NONPROFIT HOSPITAL MARKET

- ✗ Consumers do not shop for hospital care. *That's because nearly 90% of medical bills are paid by employers, insurers, or the government.*
- ✗ Consumers make buying decisions based on their doctors' recommendations. *These physicians refer patients to their employer hospitals without regard to price or value.*
- ✗ Competing hospitals use their massive marketing budgets for "feel-good ads" with no mention of price.

Indiana's non-profit hospital market is certainly
NOT A FREE OR FAIR MARKET.

In fact, Indiana's large non-profit hospital systems operate more like monopoly utility providers.

Free market principles alone will not lower the price of hospital care for Hoosiers. Legislators must use every tool at their disposal to boldly attack high non-profit hospital prices.

Price Changes: January 2000 to June 2022 Selected US Consumer Goods and Services, Wages

