



Indiana Hospital Prices Remain High

Employer Price Transparency study authors share findings at National Healthcare Price Transparency Conference in Indianapolis

INDIANAPOLIS (May 13, 2024) — The Employer Price Transparency study – Round 5, conducted by RAND, shows that Indiana's total commercial hospital prices are 8th highest in the nation, a slight improvement from the last study where Indiana was 7th. Indiana continues to have two problems, namely high hospital facility prices ranked 6th highest and low physician prices ranked 8th lowest.

This study finds that U.S. employers and employees are paying about 2.5 times what Medicare pays for the exact same services at the same hospitals. Specifically, looking at 2022 data, the national average is 254%, while Indiana's average is 297%. Indiana continues to have higher hospital prices than its neighboring states including Michigan at 192%, Kentucky at 231%, Illinois at 247%, and Ohio at 277%.

In addition to providing relative prices for what employers and employees pay for over 4000 hospitals and 2000 ambulatory surgery centers, this study, for the first time, also includes relative prices for physician-administered medications. These are infusion medications, such as chemotherapy, provided in a hospital outpatient setting. Indiana was found to have the 5th highest medication prices in the country, at 298% of the average sales price (ASP), compared with 106% of ASP paid by Medicare. This is well above the national median of 208%.

"While hospital prices make up the largest slice of the pie for employer-sponsored insurance plans, prescription prices are the fastest growing," said Gloria Sachdev, President and CEO of the Employers' Forum of Indiana. "With this latest round of the study, employers gain a brand-new layer of transparency into the opaque world of drug pricing. What they find is incredibly high drug prices relative to Medicare and to a national benchmark."

Authors of the study joined the [Employers' Forum of Indiana](#) to present study findings at the National Healthcare Price Transparency Conference in Indianapolis today. Data from this study, including state-level, health system-level, and hospital-level, from across Indiana and the country is publicly available right now on [Sage Transparency™ 2.0](#) - a free, searchable online dashboard with price and quality information. Sage Transparency 2.0 integrates price data from the Employer Price Transparency study, quality data from the [Centers for Medicare & Medicaid Services](#) and from [Healthcare Bluebook](#), as well as hospital financial data from the [National Academy for State Health Policy](#). It also features a new legislator tab allowing users to see hospital price and quality data from every single state and federal district in the United States as provided by [January Advisors](#).

"Employers, policymakers, and every Hoosier must have price and quality transparency to make informed purchasing and policy decisions," Sachdev said. "We are thrilled to launch Sage Transparency 2.0, an easy-to-use transparency tool for all."

The Indiana General Assembly has passed several new laws aiming to bring transparency to the Indiana healthcare market and put pressure on high hospital prices. In 2023, House Enrolled Act 1004 became law eliminating the ability of Indiana's 5 largest health systems from adding extra facility fees to off-campus labs, imaging centers, and physician office visits. Hoosiers and their employers will see reduced prices for these



visits beginning January 1, 2025. In 2024, the Indiana General Assembly passed into law House Enrolled Act 1259 which allows employers to get all the data they need for analysis from their third-party administrators and pharmacy benefit managers, as well as allowing employers to have unfettered claims data auditing ability. The latter is one of several important bills to address healthcare affordability introduced during the 2024 legislative session per recommendations of the Indiana Healthcare Cost Oversight Task Force.

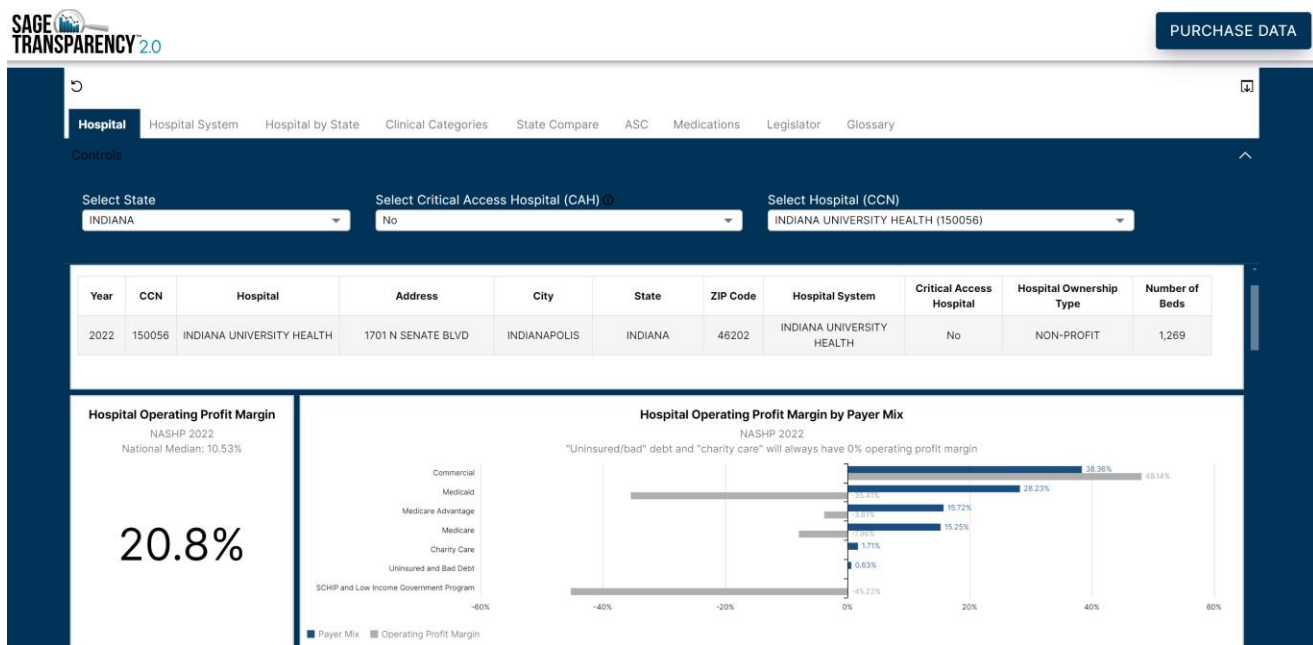
“I found Sage Transparency to be a critical tool to easily understand the price and quality of hospital services in Indiana,” said Representative Donna Schaibley, a member of the Indiana House of Representatives and founding member of the Indiana Health Care Cost Oversight Task Force. “Having hospital price and quality data on every legislative district available at the touch of a button is such a tremendous resource for legislators and their staff. I look forward to seeing how my colleagues across the country will use this information to inform their policy solutions.”

Employers' Forum of Indiana and RAND partnered on study design and recruiting study participants. RAND independently collected claims data, conducted analyses, and published the final report. To see today's presentations from Gloria Sachdev and study author Chris Whaley, click [here](#).

About Employers' Forum of Indiana

The [Employers' Forum of Indiana](#) is a not-for-profit employer-led multi-stakeholder coalition whose mission is to improve the value payers and patients receive for their health care expenditures. Forum members include employers, health plans, hospitals/health-systems, providers, and numerous other interested healthcare stakeholders who work collaboratively to improve health care in Indiana.

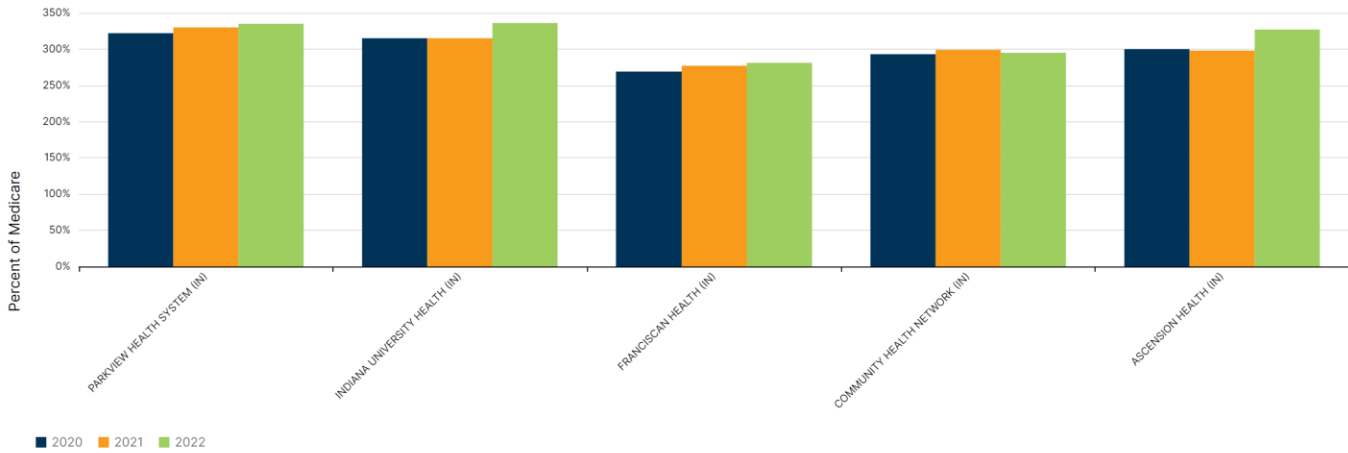
Sage Transparency 2.0 Screenshots





Hospital System Per State Price as a Percent of Medicare: Total Facility Plus Physician

RAND 2020 - 2022



INDIANA's U.S. Ranking for Hospital Price is:

8

Highest in the U.S.

U.S. Representative André Carson (D) (District Indiana 07)

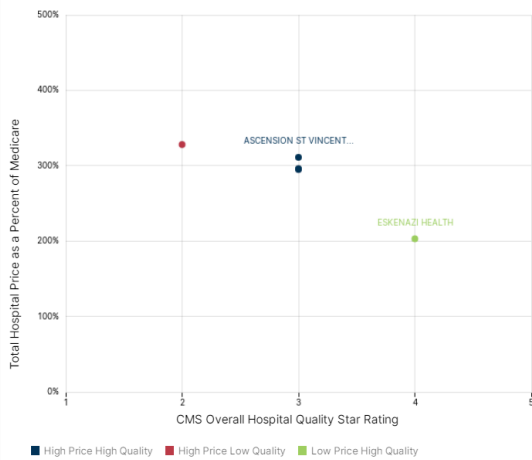
Hospital Metrics

RAND 2020 - 2022, CMS Release January 2024, NASHP 2022

Hospital Name	Type	Hospital System	Hospital Quality Star Rating	Hospital Price	Number of Beds
ASCENSION ST VINCENT HOSPITAL	NON-PROFIT	ASCENSION HEALTH	3	311%	799
COMMUNITY HOSPITAL EAST	NON-PROFIT	COMMUNITY HEALTH ...	3	295%	387
COMMUNITY HOSPITAL NORTH	NON-PROFIT	COMMUNITY HEALTH	3	296%	340

Hospital Value: Compare Price and Quality

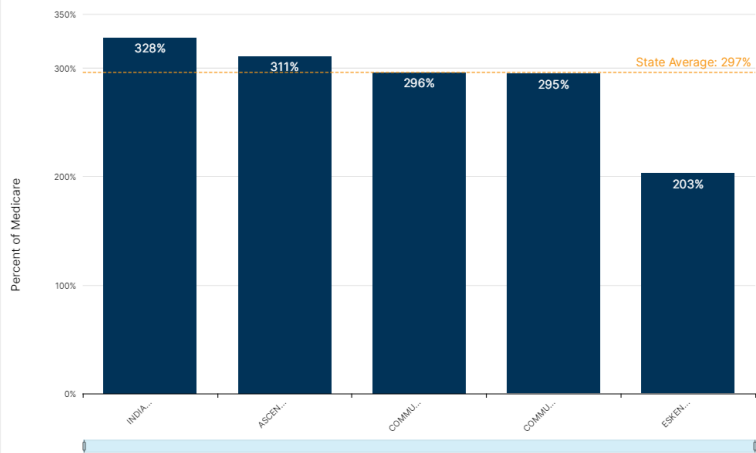
RAND 2020 - 2022, CMS Release January 2024, NASHP 2022



Hospital Price in DISTRICT

RAND 2020 - 2022

National Median: 253%





Selected State Ranking in the U.S. for Total Facility Plus Physician as a Percent of Medicare

RAND 2022
INDIANA at #8
OHIO at #14
ILLINOIS at #32
KENTUCKY at #40
MICHIGAN at #48

Highest Total Facility Plus Physician Price as a Percent of Medicare in the U.S.

RAND 2022
GEORGIA with 345%
FLORIDA with 345%
WEST VIRGINIA with 330%

Lowest Total Facility Plus Physician Price as a Percent of Medicare in the U.S.

RAND 2022
ARKANSAS with 164%
IOWA with 185%
MICHIGAN with 192%

Total Facility Plus Physician by State



Hospital Prices Relative to Medicare by State

