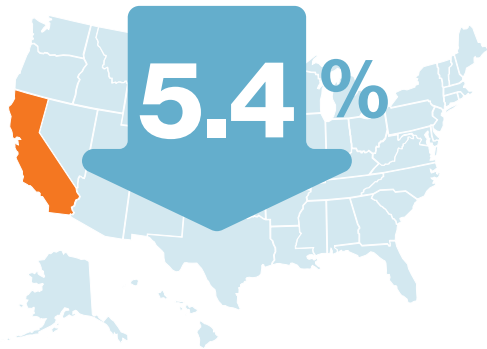


Hospitals at the Forefront on Lowering Costs for All

CA's Hospitals Are Doing Their Part



CA hospital care spending per capita is far lower than the national average despite having the nation's 3rd highest cost-of-living and statewide labor costs that are growing 10% faster than national health care spending.



The annual per capita hospital costs for 40 million Californians (providing 24/7, 365 emergency care, chronic disease management, surgical services, labor and delivery, and more) – among the lowest in the nation.



Others need to step up

Nationally, 2020 average gross profit margins among commercial insurers in the individual market and group market were **21%** and **24%** higher, respectively, over 2019.



From 2000 to 2018, public drug companies saw a median gross profit margin of **77%**, **more than double** the median for non-drug companies in the S&P 500.



The average operating margin for CA hospitals in 2019 was **1.2%**.