Insurers Must Step Up on Health Care Affordability, Patient Safety

Hospitals are committed to providing high-quality, affordable care for all, but the insurance market wields enormous power, shifting more burdens and costs onto providers and patients.

3.4% average annual operating margins of California hospitals since 2010

7% average annual operating margin of four of the largest, public insurance companies. This is 104% higher than hospitals.

Since 1980, the share of national health care spending attributable to hospitals has decreased by 26%; California hospitals are efficient, caring for state residents with 31% fewer beds per capita than the national average.

45 working days
Amount of time that insurance companies have to pay claims in California, though delays are frequent and costly.

In California, 94% of the commercial health insurance market is controlled by just six companies.

Since 2015, California hospital commercial revenues have grown an average of 4.4%, while insurance premiums have grown 14% faster during that same time.

Health insurance premiums have averaged 5% annual increases since 2016, more than double the general pace of inflation over the same time period.

Change over time in hospital net revenues vs. insurance premiums in California.

[Graph showing change over time in hospital net revenues vs. insurance premiums in California]