## PRESS RELEASE



## Los Angeles Times

## IN CASE YOU MISSED IT

LA Times Column: Leaked SoCal hospital records reveal huge, automated markups for healthcare

In a recent column, David Lazarus highlights a common practice of hospitals: "Ridiculous, seemingly arbitrary price markups" on drug costs and treatments that result in higher health care costs for Californians

**December 10, 2021** – In a recent <u>Los Angeles Times column</u>, David Lazarus points out a disturbing practice among hospitals in California and across the country to markup drug and treatment costs on patient bills that reach upwards of 575% to 675%. These markups are so common, they are "automatically generated by the hospital's software...Call it institutionalized price gouging," Lazarus says.

## Other highlights from the <u>LA Times column</u> include:

- "...one common aspect of all U.S. hospitals is a desire to keep their pricing under wraps, to prevent patients from knowing how badly they and their insurers are being fleeced...
- "...to see price hikes of as much as 675% being imposed in real time, automatically, by a hospital's computer system still takes your breath away...
- "... The eye-popping increases are so routine, apparently, the software even displays the formula it uses to convert reasonable medical costs to billed amounts that are much, much higher...
- "...Healthcare providers routinely ignore the actual cost of treatment when calculating bills and instead cook up nonsensical figures to push reimbursement from insurers higher...
- "...millions of people without health insurance, those sky-high prices are what they're stuck with...
- "... A dose of Floseal to limit a surgical patient's bleeding had a basic cost of \$142.81, the Scripps screenshots show. The hospital's charge:  $$963.97 $963.97 = $142.81 + ($142.81 \times 575\%)$ ."

To read David Lazarus' full column, click here.

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