



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 [Los Angeles Times column](#), 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 [LA Times column](#) 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 x 575%).”

To read David Lazarus’ full column, [click here](#).

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