Provider Integration and Consolidation and Healthcare Prices and Use

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Physician Practice Sizes Increasing Over Time

Percent of physicians according to practice size

- 1
- 2-9
- 10-49
- 50-99
- >=100
High Practice Concentration Levels Common

Median Practice HHI, 18 selected specialties, 2011

Bars indicate 10th to 90th percentile range

Practice Concentration Associated with Higher Prices

Increase in Intermediate Office Visit Price Associated with moving from 10th to 90th percentile HHI county, 2010

Average 99213 price: $70.85 – $74.58
Substantial Hospital Concentration

Hospital HHIs by HRR, 2011

Hospital Concentration Associated with Higher Prices

Prices for selected services in more and less concentrated markets
Physician practices increasingly integrated with hospitals

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<tr>
<td></td>
<td>% groups hospital owned</td>
<td>% physicians in hosp-owned groups</td>
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<tr>
<td>2003</td>
<td>8.3%</td>
<td>17.0%</td>
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<tr>
<td>2010</td>
<td>11.6%</td>
<td>28.1%</td>
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Source: Baker, Bundorf, Kessler, Health Affairs, 2014
Vertical Integration by Cardiologists Associated with Higher Utilization and Spending

30-day total outpatient spending, for physicians who become integrated with hospitals, relative to none integrated, by quarter relative to switch date

Vertical Integration by Cardiologists Associated with Higher Utilization and Spending

30-day total inpatient spending, for physicians who become integrated with hospitals, relative to none integrated, by quarter relative to switch date