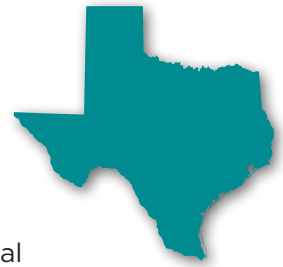


Promoting Hospital Accountability to Lower Prices for Working Families in Texas



Nearly 14.5 million Texans receive health coverage through an employer, making rising hospital prices not only a healthcare issue but also a workforce and economic issue.¹

As prices climb, businesses have to make tough choices around wages, hiring, and affordable benefits — often forcing them to increase the amount workers pay toward their premiums and deductibles, leaving families with less in their paychecks and higher costs when they need care.

The impact on health is clear: 63% of Texas families surveyed with employer-sponsored coverage reported delaying or skipping care in the past year due to cost.²



Marking Up Prices:

Texas hospitals **charged employers nearly 2.6x** the amount Medicare paid for the same services in the most recent assessment.³



Reducing Competition:

90% of the 19 Texas metro areas qualified as highly or very highly concentrated hospital markets.⁴



Hiding True Costs:

Texas leads the nation in price transparency failures, with **42 facilities** receiving warnings or corrective action requests.⁵



Pocketing Discounts:

Over 30% of Texas hospitals receive **\$746 million** a year through the 340B Drug Pricing Program — funds that represent the loss of negotiated rebates for Texas employers and working families.^{6,7,8}

ACTIONS TEXAS LAWMAKERS CAN TAKE TO LOWER COSTS

Texas employers and working families deserve transparent hospital pricing, a competitive healthcare market, and clear accountability for public benefits. Employers are doing their best to manage spending through benefit design innovations and contracting networks — but they cannot overcome these market dynamics alone. Policymakers should:

✓ Same Service, Same Price

Eliminate facility fees for routine services delivered outside the hospital and advance site-neutral payment reforms

✓ Protect Competition

Strengthen oversight of hospital consolidation, and prohibit hospitals from using their market power to force anticompetitive contracts on employers

✓ Accountability for Benefits

Establish guardrails and reporting requirements for hospitals that receive 340B discounts, tax exemptions, and other public benefits

¹ <https://www.ahip.org/resources/employer-provided-coverage-state-to-state>

² <https://www.desmoinesregister.com/press-release/story/101152/texas-2036-report-series-examines-market-forces-driving-up-healthcare-prices-in-texas/>

³ <https://txeahc.org/texas-employers-paid-hospitals-259-of-what-medicare-would-pay-per-rand-price-transparency-study/>

⁴ <https://texas2036.org/news-analysis/concentration-competition-and-cost-how-are-the-hospital-markets-of-texas/>

⁵ <https://www.fiercehealthcare.com/providers/hundreds-hospitals-warned-over-price-transparency-failings-ap-reports>

⁶ <https://340bopais.hrsa.gov/SearchCe>

⁷ <https://www.kff.org/state-health-policy-data/state-indicator/total-hospitals/>

⁸ <https://www.igvia.com/-/media/igvia/pdfs/us/white-paper/2026/cost-of-340b-in-2025.pdf>



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