

# WHAT IMPACTS THE COST OF CARE?

Patients want good value from the health care they receive — care that is both high quality and affordable. There are a variety of factors that can influence the cost of care at a hospital.

## HOSPITAL



### SERVICES & SPECIALTIES

Specialty care, such as oncology and orthopedics, require significant resources and are expensive for hospitals to provide.



### INTENSITY OF CARE

Services — such as trauma, neonatal intensive care and burn units — require highly trained and specialized staff on-site or on-call 24/7.



### RANGE OF SERVICES

Many hospitals are intentionally equipped to care for more severely ill or injured patients and provide a full range of diagnostic and treatment services.



### CAPITAL EXPENSES

Investments in technology, equipment and facility improvements vary by hospital. The costs of improvements and how they are paid for — loans, leases or purchases — can affect what patients pay.

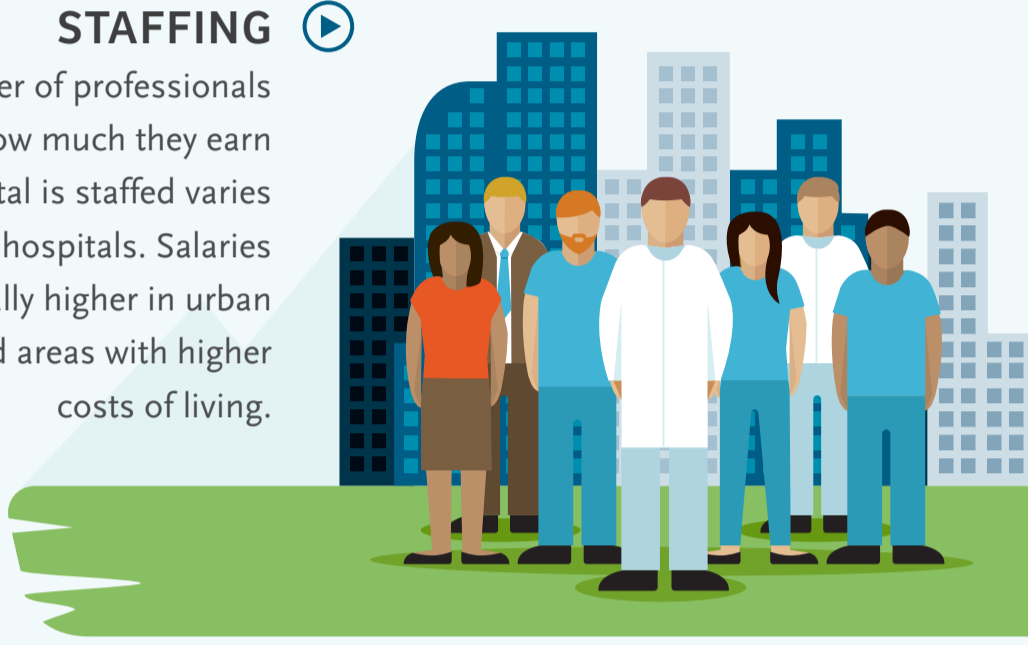


## PHYSICIANS & HOSPITAL STAFF



### STAFFING

The number of professionals employed, how much they earn and how a hospital is staffed varies greatly among hospitals. Salaries are typically higher in urban settings and areas with higher costs of living.



### PHYSICIAN EXPERIENCE & PRACTICE

Each physician's education, training, experience and area of specialty impact the type of care a patient receives. Wide variations exist in the treatments provided by physicians within the same specialty.

## COMMUNITY

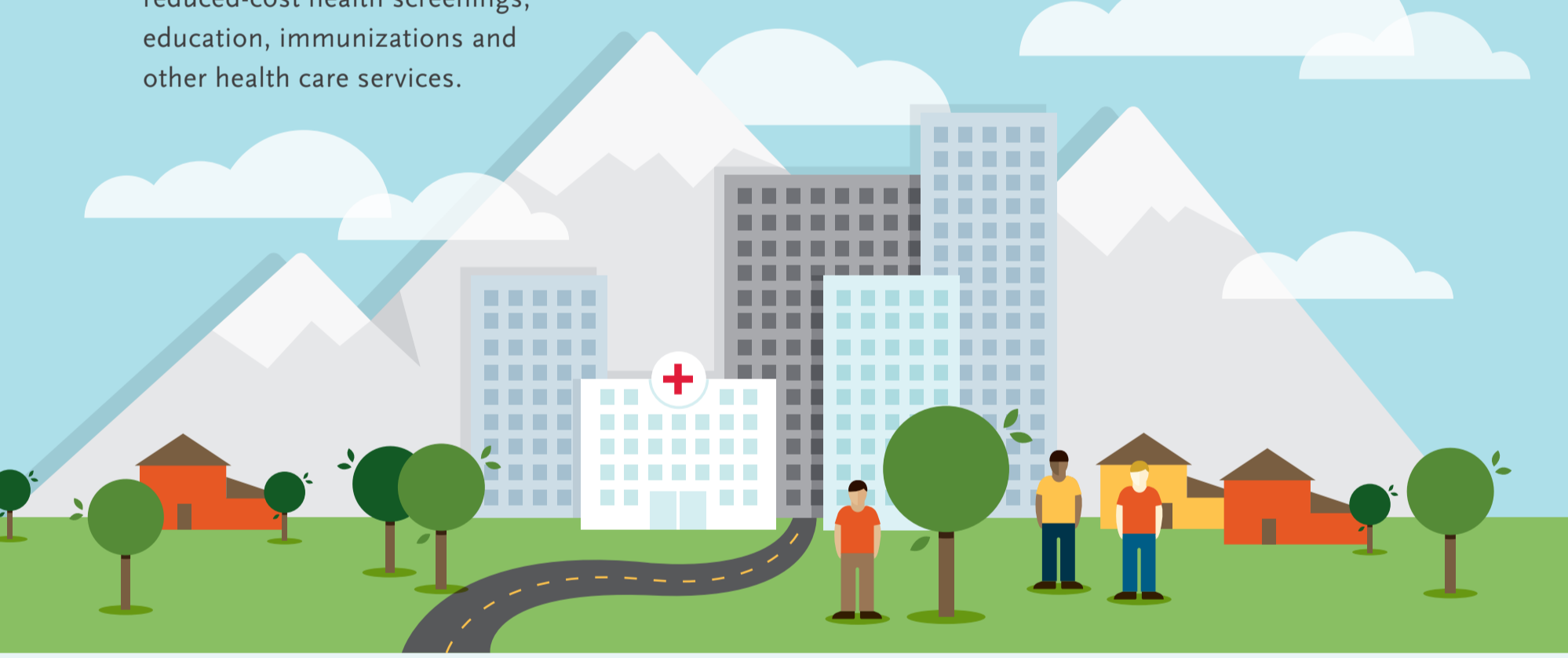


### COMMUNITY NEEDS

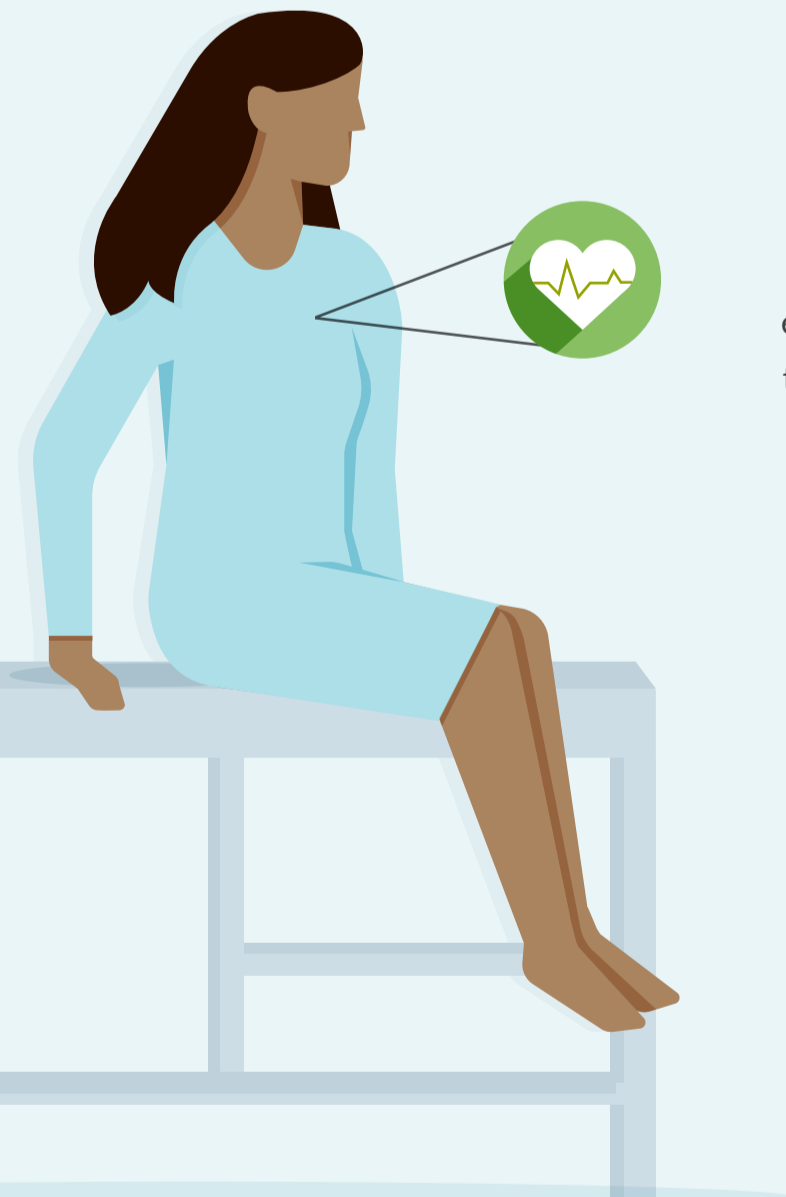
Colorado hospitals are committed to the communities they serve and voluntarily provide programs at their own expense such as free or reduced-cost health screenings, education, immunizations and other health care services.

### PAYER MIX

Hospitals generally get paid less than what it costs to treat Medicare and Medicaid patients. Hospitals with more of these patients may bill self-pay and privately insured patients higher charges to cover these losses.



## PATIENT



### HEALTH CONDITIONS

No two patients are exactly the same even if they come for the same procedure. Patients who are sicker, or have multiple medical conditions often require additional services and longer hospital stays.



## INSURANCE & REGULATIONS



### NEGOTIATED RATES

There are 541 insurance plans offered in Colorado from 18 carriers. Each insurance company negotiates different rates with hospitals for different plans. Even for identical medical procedures, hospitals get paid different amounts by insurers.



### REGULATORY

More than 40 national and state agencies oversee some aspect of health care delivery. Hospitals must adhere to hundreds of thousands of pages of complex rules and regulations — ranging from building codes and billing to safety and quality — demanding staff, time and money.