



DATA BRIEF | MARCH 2024

## Texas Survey Respondents Worry about High Hospital Costs; Have Difficulty Estimating Quality/Cost of Care; and Express Bipartisan Support for Government Action

Hospitals provide essential services and are vital to the well-being of our communities. However, a survey of more than 1,400 Texas adults—conducted from November 7 to November 13, 2023—finds that many Texas residents worry about hospital costs and support a variety of government-led solutions across party lines.

### HARDSHIP AND WORRY ABOUT HOSPITAL COSTS

A substantial portion of Texas respondents worry about affording health care costs both now and in the future, and many reported experiencing financial hardship resulting from medical bills. Two-thirds (66% of) respondents reported being “worried” or “very worried” about affording medical costs from a serious illness or accident. Texas respondents may have cause to worry about affording hospital care—of the 25% of respondents who reported receiving an unexpected medical bill in the past year, 51% say that at least one such bill came from a hospital.

### IMPACT AND WORRY OF HOSPITAL CONSOLIDATION\*

In addition to the above health care affordability burdens, the survey reveals that some Texas respondents are also negatively impacted by health system consolidation. From 2017 to 2022, there were 19 changes in ownership involving hospitals through mergers, acquisitions, or changes of ownership (CHOW) in Texas.<sup>1,2</sup> Texas does not require that the State Attorney General must be notified of nonprofit health care mergers and acquisitions, and there is no notice or approval process for such transactions.<sup>3</sup>

In the past year, 18% of respondents reported that they were aware of a merger or acquisition in their community—of those respondents, 29% reported that they or a family member were unable to access their preferred health care organization because of a merger that made their preferred organization out-of-network. Out of those who reported being unable to access their preferred health care provider due to a merger, respondents reported a variety of new issues occurring due to mergers, including:

- 44%—Changed your preferred doctor or hospital
- 41%—Delaying or avoiding going to the doctor or having a procedure done
- 35%—Changed health plan coverage to include your preferred doctor or hospital
- 33%—Skipped recommended follow-up visits
- 32%—Skipped filling a prescription medication
- 29%—Switched to telehealth options to continue seeing your preferred doctor
- 11%—Stayed with preferred health care provider and now pay out-of-network/out-of-pocket costs

\*Note: The sample size of respondents who said they were affected by a merger was not large enough to report reliable estimates, so the values in this section should be interpreted with caution.

Out of those who reported that the merger caused some other type of burden for them or their families, when asked about the greatest burden hospital mergers had created for respondents and their families, respondents reported it created the following burdens:

- 34%—Added financial burden;
- 33%—Added wait time burden when searching for a new provider who is accepting new patients;
- 17%—Added transportation burden.

Survey respondents were also asked to share their experiences following hospital consolidation. Selected responses are listed below in Table 1.

While a small portion of respondents reported being unable to access their preferred health care organization because of a merger, 57% reported being somewhat, moderately or very worried about the impacts of mergers in their health care organizations. When asked about their largest on concern, respondents reported:

- 29%—I’m concerned I will have to pay more to see my doctor
- 26%—I’m concerned I will have fewer choices of where to receive care
- 22%—I’m concerned my doctor may no longer be covered by my insurance
- 12%—I’m concerned I will have to travel farther to see my doctor
- 12%—I’m concerned I will have a lower quality of care

**Table 1**

**Selected Responses to the Open-Text Question “Over the last 12 months, please describe any issues that have occurred due to the merger that affected your preferred health care organization.”**

“Finding providers, I trust and having to wait longer to see doctors.”
“Having to wait months to be seen.”
“I lost my \$2700 supplement and had to opt out of the new plan, forced on us by my former employer.”
“I lost two of my most important doctors because of this.”
“They never [notify you that a merger has occurred] and you have to change coverage.”
“The ability to afford my physician of 10 plus years.”

Source: 2023 Poll of Texas Adults, Ages 18+, Altarum Healthcare Value Hub’s Consumer Healthcare Experience State Survey

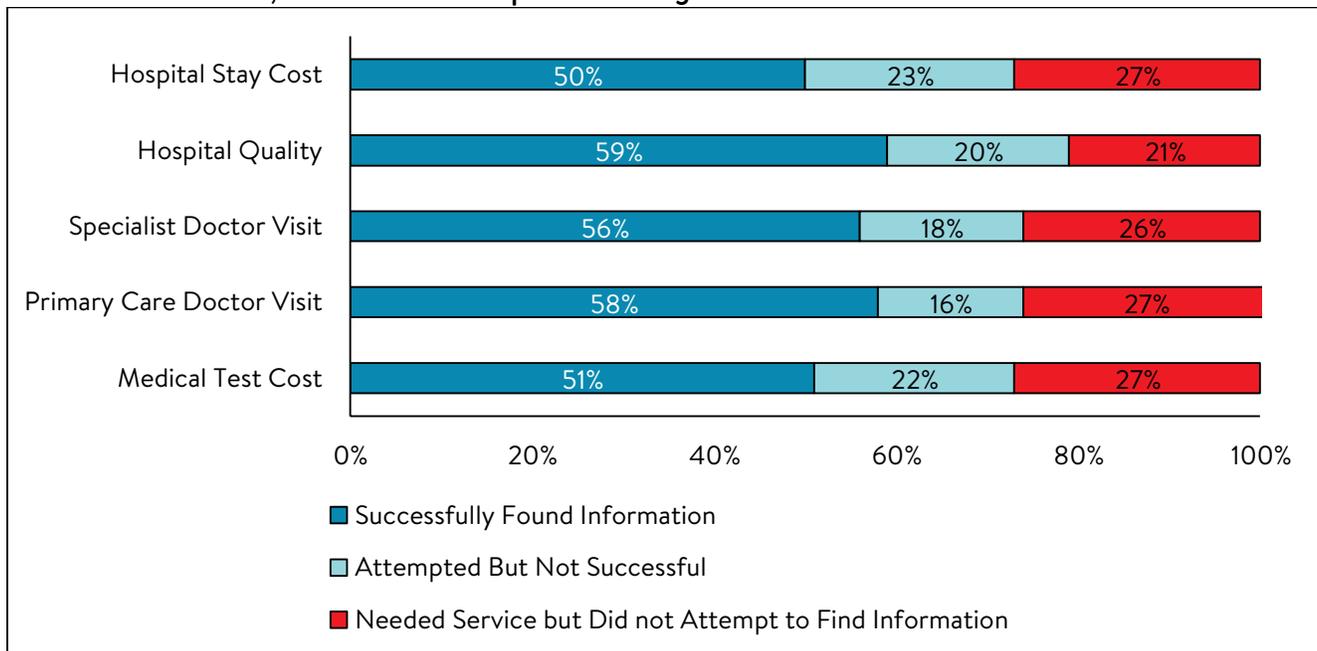
SKILLS NAVIGATING HOSPITAL CARE

Texas respondents reported fairly high confidence in their ability to know when to seek emergency care, with 67% reporting that they are very or extremely confident about knowing when to go to the emergency department versus a primary care provider. However, they are slightly less confident in their ability to find hospital costs and quality information. Forty-three percent of respondents are NOT confident they can find out the cost of a procedure ahead of time, and many are NOT confident they can find quality ratings for doctors (47%) or hospitals (46%).

Texas respondents' lack of confidence may be reflected in the low rates of searching for hospital price and quality information. Out of all respondents, only 37% tried to find the cost of a hospital stay ahead of time and 14% needed a hospital stay but did not search for cost information. Out of those respondents who tried to find hospital cost information or needed a hospital stay, 50% reported finding the information they were looking for, 23% reported they did not find the information they were looking for, and 27% did not attempt to find information when they needed a hospital.

Forty-six percent of all respondents reported that they have tried to find quality information on hospitals and 13% needed a hospital but did not try to look for quality information. Out of those respondents who tried to find hospital quality information or needed a hospital stay, 59% were successful at finding quality information, 20% were unsuccessful and 21% did not attempt to find quality information when they needed a hospital (see Figure 1). Figure 1 also captures other health care costs integral to hospital services, including medical tests and primary care/specialist doctor visits.

**Figure 1**  
**Of Those Who Needed a Service or Tried to Find the Out-Of-Pocket Cost/Quality of Services in the Past 12 Months, Percent Who Reported Being Successful and Unsuccessful**



Source: 2023 Poll of Texas Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

Among respondents who needed a service but did not seek out price or quality information, the most frequently reported reasons for not seeking information were:

- 34%—Did not know where to look;
- 29%—Followed their doctors’ recommendations or referrals;
- 28%—Looking for information felt confusing or overwhelming;
- 21%—Did not have time to look; and
- 19%—It never occurred to me to look for provider quality or price information.

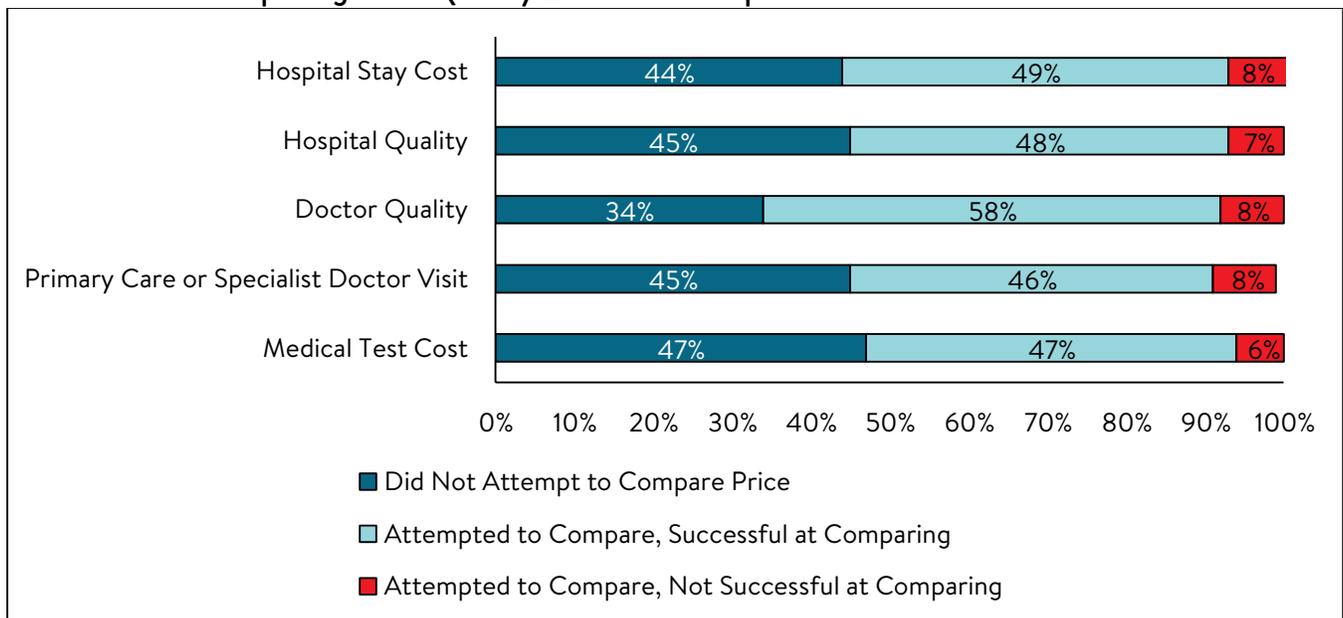
Notably, few of these respondents reported that out-of-pocket cost or quality were unimportant to them (12% and 5%, respectively).

Respondents who attempted to find hospital cost or quality information but were unsuccessful faced a variety of barriers. Among those who were unsuccessful at searching for cost information, respondents reported that resources available to search for price information were confusing (35%), their insurance plan or provider/doctor/hospital would not give them a price estimate (29% and 34%, respectively) and that price information was insufficient (28%). In unsuccessful searches for hospital quality information, respondents reported that resources available to search for quality information were confusing (29%) and that the quality information available was not sufficient (20%).

Among those who were successful at finding the cost for a hospital stay or quality information, nearly half reported NOT attempting to compare prices or quality between providers (i.e. “shopping”) (see Figure 2). Still, 49% successfully compared cost of a hospital stay, and 48% successfully compared quality across hospitals.

**Figure 2**

**Of Those Who Were Successful at Finding Hospital Cost/Quality Information, Percent Who Were Successful at Comparing Cost/Quality Between Multiple Providers**



Source: 2023 Poll of Texas Adults, Ages 18+, Altarum Healthcare Value Hub’s Consumer Healthcare Experience State Survey

Among those that compared cost or quality information for different services, many reported that the cost or quality comparison ultimately influenced their choice of which provider to seek care from. Eighty-five percent of those who compared primary care or specialist doctor visit costs said the comparison influenced their choice, as did **88%** of those who compared medical test costs and **93%** of those who compared hospital stay costs. Among those who looked for hospital quality information, **89%** had their choice influenced by the information.

Although many of the respondents who sought out hospital price and quality information were ultimately successful, many respondents never attempted to find this information. Even among those who were successful at finding hospital cost or quality information, a nearly half did not compare prices or quality between providers (i.e., “shopping”). Respondents identified a variety of barriers to finding and comparing cost and quality information, including following doctors’ recommendations, confusion over where or how to find cost or quality information, and providers and insurers not providing cost estimates. These reasons could also be influenced by this information not being accessible, despite federal price transparency mandates for hospitals.<sup>4</sup>

It could also stem from the fact that some consumers may not view health care as a shoppable commodity, especially in emergency situations and settings that lack a selection of treatments/providers. Lack of knowledge of hospital quality and potential costs impedes Texas residents’ ability to plan for needed care and budget for the expense of a hospital stay, which can be costly,<sup>5</sup> particularly for residents who are uninsured or under-insured.

### SUPPORT FOR “FIXES” ACROSS PARTY LINES

Hospitals, along with drug manufacturers and insurance companies, are viewed as a primary contributor to high health care costs. When given more than 20 options, those that Texas respondents most frequently cited as being a “major reason” for high health care costs were:

- **74%**—Hospitals charging too much money
- **73%**—Drug companies charging too much money
- **69%**—Insurance companies charging too much money
- **58%**—Large hospitals or doctor groups using their influence to get higher payments from insurance companies

Texas respondents strongly endorse several hospital-related strategies, including:

- **90%**—Require hospitals and doctors to provide up-front cost estimates to consumers
- **89%**—Set standard payments to hospitals for specific procedures
- **89%**—Impose price controls on contracts between insurers and health care providers
- **87%**—Strengthen policies to drive more competition in health care markets to improve choice and access
- **81%**—Set a minimum amount that nonprofit hospitals must spend on Community Benefit and require them to devote a portion of the funds to programs intended to reduce health disparities

What’s even more interesting is the level of support for some of these strategies across party lines (see Table 2).

**Table 2**  
**Percent Who Agreed/Strongly Agreed, by Political Affiliation**

Selected Survey Statements/Questions	Total Percent of Respondents	Generally speaking, do you think of yourself as...		
		Republican	Democrat	Neither
Major reason for rising health care costs: <i>Hospitals charging too much money</i>	74%	70%	78%	69%
The government should require hospitals and doctors to provide up-front cost estimates to consumers	90%	93%	91%	87%
The government should set standard payments to hospitals for specific procedures	89%	89%	93%	86%
The government should impose price controls on contracts between insurers and health care providers.	89%	84%	93%	89%
The government should strengthen policies to drive more competition in health care markets to improve choice and access	87%	88%	88%	84%
The government should lower the amount patients are charged for the treatment and maintenance of conditions that disproportionately affect disadvantaged groups of people, such as diabetes	86%	84%	91%	83%
The government should set up an independent entity to rate doctor and hospital quality, such as patient outcomes and bedside manner	86%	85%	89%	85%

Source: 2023 Poll of Texas Adults, Ages 18+, Altarum Healthcare Value Hub’s Consumer Healthcare Experience State Survey

**CONCLUSION**

The findings from this poll suggest that Texas respondents are somewhat motivated when it comes to searching for hospital cost and quality information to help inform purchasing decisions and plan for a future medical expense. Still, roughly half did not search for this information at all, suggesting that effort to influence consumer shopping through price transparency initiatives may not be effective for everyone.

It is not surprising that Texas respondents express strong support for government-led solutions to make price and quality information more readily accessible and to help consumers navigate hospital care. Many of the solutions that respondent’s support would take the burden of research and guesswork off consumers, such as standardizing payments for specific hospital procedures, requiring hospitals and doctors to provide consumers cost estimates for certain procedures, and establishing an entity to conduct independent quality reviews. Policymakers should investigate the evidence on these and other policy options to respond to respondents’ bipartisan call for government action.

## Notes

1. Centers for Medicare and Medicaid Services. (2023). Hospital Change of Ownership. Retrieved January 10, 2023, from <https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/hospital-change-of-ownership>
2. A CHOW typically occurs when a Medicare provider has been purchased (or leased) by another organization. The CHOW results in the transfer of the old owner's identification number and provider agreement (including any Medicare outstanding debt of the old owner) to the new owner...An acquisition/merger occurs when a currently enrolled Medicare provider is purchasing or has been purchased by another enrolled provider. Only the purchaser's CMS Certification Number (CCN) and tax identification number remain. Acquisitions/mergers are different from CHOWs. In the case of an acquisition/merger, the seller/former owner's CCN dissolves. In a CHOW, the seller/former owner's CCN typically remains intact and is transferred to the new owner. A consolidation occurs when two or more enrolled Medicare providers consolidate to form a new business entity. Consolidations are different from acquisitions/mergers. In an acquisition/merger, two entities combine but the CCN and tax identification number (TIN) of the purchasing entity remains intact. In a consolidation, the TINs and CCN of the consolidating entities dissolve and a new TIN and CCN are assigned to the new, consolidated entity. Source: Missouri Department of Health and Senior Services, Change of Ownership Guidelines—Medicare/State Certified Hospice. Retrieved January 10, 2023, from <https://health.mo.gov/safety/homecare/pdf/CHOW-Guidelines-StateLicensedHospice.pdf#:~:text=Acquisitions%2Fmergers%20are%20different%20from%20CHOWs.%20In%20the%20case,providers%20consolidate%20to%20form%20a%20new%20business%20entity.>
3. The Source on Health Care Price and Competition, Merger Review, Retrieved January 10, 2023 from <https://sourceonhealthcare.org/market-consolidation/merger-review/>
4. As of January 1, 2021, the Centers for Medicare and Medicaid Services (CMS) requires hospitals to make public a machine-readable file containing a list of standard charges for all items and services provided by the hospital, as well as a consumer-friendly display of at least 300 shoppable services that a patient can schedule in advance. However, Compliance from hospitals has been mixed, indicating that the rule has yet to demonstrate the desired effect. <https://www.healthaffairs.org/content/forefront/hospital-price-transparency-progress-and-commitment-achieving-its-potential>
5. According to Health Forum, an affiliate of the American Hospital Association, hospital adjusted expenses per inpatient day in Texas were \$2,913 in 2021, similar to the national average. See: Kaiser Family Foundation, State Health Facts Data: Hospital Adjusted Expenses per Inpatient Day. Accessed January 10, 2023. <https://www.kff.org/health-costs/state-indicator/expenses-per-inpatient-day/>

### ABOUT THE ALTARUM HEALTHCARE VALUE HUB

With support from Arnold Ventures, the Healthcare Value Hub provides free, timely information about the policies and practices that address high health care costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and health care.

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**Methodology**

Altarum’s Consumer Healthcare Experience State Survey (CHESS) is designed to elicit respondents’ unbiased views on a wide range of health system issues, including confidence using the health system, financial burden and possible policy solutions.

This survey, conducted from November 7 to November 13, 2023, used a web panel from online survey company Dynata with a demographically balanced sample of approximately 1,500 respondents who live in Texas. Information about Dynata’s recruitment and compensation methods can be found [here](#). The survey was conducted in English or Spanish and restricted to adults ages 18 and older. Respondents who finished the survey in less than half the median time were excluded from the final sample, leaving 1,405 cases for analysis. After those exclusions, the demographic composition of respondents was as follows, although not all demographic information has complete response rates:

Demographic Characteristic	Frequency	Percentage	Demographic Characteristic	Frequency	Percentage
<b>Gender</b>			<b>Household Income</b>		
Woman	759	54%	Under \$20K	234	17%
Man	624	44%	\$20K-\$29K	169	12%
Transwoman	3	<1%	\$30K - \$39K	155	11%
Transman	8	1%	\$40K - \$49K	123	9%
Genderqueer/Nonbinary	8	<1%	\$50K - \$59K	160	11%
<b>Insurance Type</b>			\$60K - \$74K	131	9%
Health insurance through employer or family member’s employer	463	33%	\$75K - \$99K	168	12%
Health insurance I buy on my own	180	13%	\$100K - \$149K	171	12%
Medicare, coverage for seniors and those with serious disabilities	354	25%	\$150K+	94	7%
Medicaid, coverage for low-income earners	121	9%	<b>Self-Reported Health Status</b>		
TRICARE/Military Health System coverage	38	3%	Excellent	195	14%
Department of Veterans Affairs (VA) Healthcare	19	1%	Very Good	413	29%
No coverage of any type	189	13%	Good	495	35%
I don’t know	41	3%	Fair	253	18%
<b>Race</b>			Poor	49	3%
American Indian or Native Alaskan	40	3%	<b>Disability</b>		
Asian	46	3%	Mobility: Serious difficulty walking or climbing stairs	215	15%
Black or African American	188	13%	Cognition: Serious difficulty concentrating, remembering or making decisions	143	10%
Native Hawaiian or Other Pacific Islander	5	<1%	Independent Living: Serious difficulty doing errands alone, such as visiting a doctor’s office	109	8%
White	1075	77%	Hearing: Deafness or serious difficulty hearing	95	7%
Prefer Not to Answer	24	2%	Vision: Blindness or serious difficulty seeing, even when wearing glasses	81	6%
Two or More Races	34	3%	Self-Care: Difficulty dressing or bathing	64	5%
<b>Ethnicity</b>			No disability or long-term health condition	980	70%
Hispanic or Latino	335	24%	<b>Party Affiliation</b>		
Non-Hispanic or Latino	1,070	76%	Republican	505	36%
<b>Age</b>			Democrat	412	29%
18-24	231	17%	Neither	488	35%
25-34	310	22%	<i>Source: 2023 Poll of Texas Adults, Ages 18+, Altarum Healthcare Value Hub’s Consumer Healthcare Experience State Survey</i>		
35-44	223	16%			
45-54	200	14%			
55-64	234	17%			
65+	196	14%			

Percentages in the body of the brief are based on weighted values, while the data presented in the demographic table is unweighted. An explanation of weighted versus unweighted variables is available [here](#). Altarum does not conduct statistical calculations on the significance of differences between groups in findings. Therefore, determinations that one group experienced a significantly different affordability burden than another should not be inferred. Rather, comparisons are for conversational purposes. The groups selected for this brief were selected by advocate partners in each state based on organizational/advocacy priorities. We do not report any estimates under N=100 and a co-efficient of variance more than 0.30.