

# UCSF

## UC San Francisco Previously Published Works

### Title

Where Does the Blame for High Health Care Costs Go? An Empirical Analysis of Newspaper and Journal Articles Criticizing Health Care Costs

### Permalink

<https://escholarship.org/uc/item/61g9b13m>

### Journal

The American Journal of Medicine, 132(6)

### ISSN

0002-9343

### Authors

Haslam, Alyson

Crain, Tyler

Gill, Jennifer

et al.

### Publication Date

2019-06-01

### DOI

10.1016/j.amjmed.2018.12.019

### Copyright Information

This work is made available under the terms of a Creative Commons Attribution-NonCommercial License, available at <https://creativecommons.org/licenses/by-nc/4.0/>

Peer reviewed



# Where Does the Blame for High Health Care Costs Go? An Empirical Analysis of Newspaper and Journal Articles Criticizing Health Care Costs

Alyson Haslam, PHD,<sup>a</sup> Tyler Crain, MS,<sup>a</sup> Jennifer Gill, MSc,<sup>a</sup> Diana Herrera-Perez, BS,<sup>a</sup> Vinay Prasad, MD, MPH<sup>b,c,d,e</sup>

<sup>a</sup>*Knight Cancer Institute*; <sup>b</sup>*Division of Hematology Oncology*; <sup>c</sup>*Department of Public Health and Preventive Medicine*; <sup>d</sup>*Senior Scholar in the Center for Health Care Ethics*; <sup>e</sup>*Division of General Medicine, Department of Medicine, Oregon Health & Science University, Portland.*

## ABSTRACT

**BACKGROUND:** Public perception of whom to blame for health care costs varies. Whether there is a mismatch between the causes of rising health care costs and the blame attributed to potential culprits has emerged as a topic of debate. We sought to compare the allocation of blame for rising health care costs in lay media articles and academic literature with actual health care spending in the United States.

**METHODS:** We performed a cross-sectional systematic analysis of published lay media and academic articles. On April 10, 2018, 200 PubMed (academic) and 200 Google News (lay media) articles were collected through searches using the terms “healthcare costs” and “health care costs.” Articles were included if they criticized high cost of health care in the US. We calculated descriptive statistics for area(s) of health care blamed for high costs, publication type, and primary author affiliation.

**RESULTS:** PubMed articles named 47 potential drivers of high cost and Google News articles named 225. Among PubMed articles, environment, lifestyle, and medical problems (n = 15/47; 32%) were the most commonly cited source of high cost of health care, followed by ‘no group singled out’ (n = 14/47; 30%), and drugs or devices (n = 8/47; 17%). Among Google News articles, insurers (n = 63/225; 28%) were most commonly cited as possible sources of high cost of health care, followed by ‘no group singled out’ (n = 46/225; 21%) and hospitals (n = 37/225; 17%).

**CONCLUSIONS:** Allocation of blame for high health care costs is not always in proportion with true health care spending, and certain health care drivers are under- and overrepresented by academic and lay media publications.

© 2019 Published by Elsevier Inc. • *The American Journal of Medicine* (2019) 132:718–721

**KEYWORDS:** Drug costs; Health care spending; Hospital costs; Lay media

**Funding:** None.

**Conflict of Interest:** VP reports receiving royalties from his book, *Ending Medical Reversal*, that his work is funded by the Laura and John Arnold Foundation, that he has received honoraria for Grand Rounds/lectures from several universities, medical centers, nonprofit groups, professional societies, and is a writer for Medscape. All other authors have no conflicts to report.

**Authorship:** All authors had access to the data and a role in the writing of the manuscript.

Requests for reprints should be addressed to Vinay Prasad, MD, MPH, Department of Medicine, Oregon Health & Science University, 3181 SW Sam Jackson Park Road, Portland, Oregon 97239.

E-mail address: [prasad@ohsu.edu](mailto:prasad@ohsu.edu)

## INTRODUCTION

Rising health care costs are a growing concern in the United States and are driven by increasing costs of hospitalization, prescription drugs, medical devices, administrative overhead, provider salaries, insurer profits, and other factors.<sup>1</sup> Public perception of whom to blame for health care costs varies. In one survey done by National Public Radio, the Robert Wood Johnson Foundation, and the Harvard T.H. Chan School of Public Health, 67% of respondents said that drug companies charging too much money was the main reason for rising health care costs, which surpassed other common possible reasons, including insurance companies,

doctors, or hospitals.<sup>1</sup> In another survey done by the Texas Medical Center, when asked to identify the main reason for rising health care costs, the highest percentage of consumers (30%) blamed drug and device manufacturers, followed by insurance companies (28%).<sup>2</sup>

Whether there is a mismatch between the causes of rising health care costs and the blame attributed to potential culprits has emerged as a topic of debate.<sup>3</sup> Some have argued that the biopharmaceutical industry is unfairly stigmatized, stating "...researchers at large academic hospitals almost uniformly [point] their fingers at big bad pharma as the boogeyman in health spending."<sup>4</sup> The pharmaceutical industry echoes this sentiment<sup>2</sup> and argues that savings are not being passed on to the consumer because of pharmacy benefit managers.<sup>5</sup> Others blame hospitals, arguing instead that blame has been misdirected toward insurance companies.<sup>6,7</sup> The reality is that while spending on hospitalization accounts for the highest absolute costs (over \$1 trillion dollars in 2016 vs \$328 million for prescription drugs), the cost of prescription drugs has increased faster (about 24% between 2014 and 2016) than other areas of health care (eg, hospital costs, which increased 20% during that same period).<sup>8</sup>

To lend clarity to this topic, we sought to compare the allocation of blame for rising health care costs in the US with actual health care spending through a systematic analysis. We assembled a contemporary set of (a) articles in the lay media and (b) articles in the academic literature that criticize the high cost of health care and blame one or more entities to ascertain whether criticism accurately reflects the source of health care spending in the United States.

## METHODS

### Data Sources and Data Extraction

We set out to build a dataset of lay media and academic articles that criticized the high cost of health care and attributed the blame to some sector of the health care economy. On April 10, 2018, we searched PubMed (academic articles) and Google News (lay media) for "healthcare costs" and "health care costs," retrieving the first 100 items in each search (400 total). Articles were included if they specifically criticized or complained about the high cost of health care in the US and named one or more possible sources or culprits for the high cost. Articles that discussed costs only generally, without noting that these were contributing to rising health care costs, were excluded.

Data abstracted from each article included: title, website link, publication, date of publication, author of publication, primary author affiliation, and type(s) of health care cited as contributing to high costs. Sources of high

costs were classified in one or more of the following categories: pharmacy benefit managers, pharmaceutical/device industry, insurers, hospitals, environment/lifestyle/medical problems (ie, characteristics of Americans' health that contribute to higher costs), physician costs, or procedures, and finally, no one group singled out/blame cast uniformly (ie, no driver of rising costs specifically stated). Articles could be coded as more than one of these categories if they discussed multiple specific potential causes for rising health care costs. If an article was coded as "blame cast uniformly", it was not coded in multiple categories.

Center for Medicare & Medicaid Services (CMS) data<sup>8</sup> were used to compare actual spending on health care services in the US to the number of times a possible driver of health care is mentioned in the literature or media. Descriptive statistics for all articles, stratified by publication type (media or PubMed articles) or academic setting (for PubMed articles), were generated.

Descriptive statistics for all articles, stratified by publication type (media or PubMed articles) or academic setting (for PubMed articles), were generated.

### Statistical Analysis

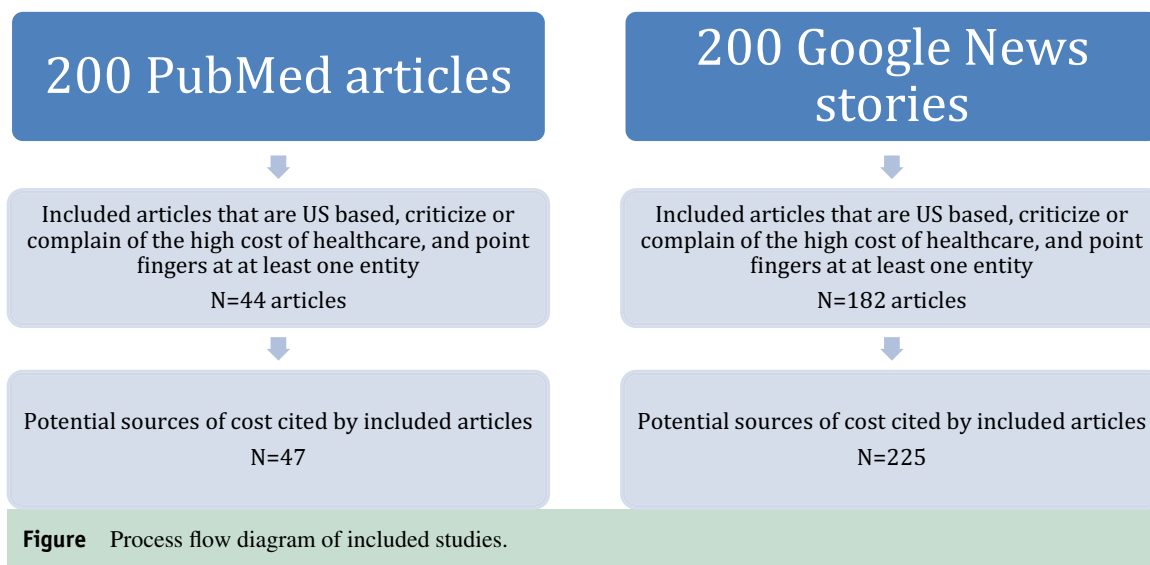
Fisher's exact test was used to test for independence between possible sources of high cost and publication type. Tests of proportions were done to determine differences, if any, between observed proportions of possible drivers of health care identified in the literature and media and CMS costs data. All analyses were done in R, version 3.4.4. This study of public documents did not involve patient records or human subjects and, as such, was not submitted for Institutional Review Board approval.

## RESULTS

Among 400 retrieved articles, 44 PubMed articles and 182 lay-media articles met our inclusion criteria, as shown in the [Figure](#). In total, 47 potential drivers of high cost were named by PubMed articles and 225 by Google News articles, as shown in [Table 1](#). Among PubMed articles, environment, lifestyle, and medical problems (n = 15/47; 32%) were the most commonly cited source of high cost of health care, followed by "no group singled out" (n = 14/47; 30%) and drugs or devices (n = 8/47; 17%). Among Google News articles, insurers (n = 63/225; 28%) were most commonly cited as possible sources of high cost of health care, followed by "no group singled out" (n = 46/225; 21%), and hospitals (n = 37/225; 17%). Thirty-four lay-media articles (19%) listed multiple drivers of health care costs, and only 2 PubMed articles (5%) discussed multiple drivers of health care costs in the same article. There were significant differences in the proportion of times insurance was reported (PubMed 8% vs Google News 28%;  $P = .008$ ) and environment (PubMed 32% vs Google News 10%;  $P < .001$ ) when comparing the academic literature to the lay media.

### CLINICAL SIGNIFICANCE

- Public perception of whom to blame for health care costs contrasts with actual health care spending.
- Drivers of high health care costs are under- and overrepresented by academic and lay media publications.



Among authors of academic articles criticizing health care costs (Table 2), 36% (n = 17) were at academic/teaching hospitals; 4% (n = 2) were employed by the industry, and 60% (n = 28/47) were from other institutions. Potential drivers of high health care costs cited by authors at academic/teaching hospitals were “no group singled out” (n = 5/17; 29%); drugs/devices (n = 4/17; 24%); and environment, lifestyle, or medical problems (n = 4/17; 24%). Both articles in which the primary author was employed by in industry cited environment, lifestyle, or medical problems as possible drivers of high health care costs. Academic papers with authors from nonacademic institutions cited the environment, lifestyle, or medical problems (n = 9/28; 32%) and “no group singled out” (n = 9/29; 32%) as possible drivers of high health care costs, followed by drugs and devices (n = 4/28; 14%).

When comparing percentages of publications for each potential driver of health care cost against all health care spending, there was a significant difference between the number of articles implicating insurance companies in

Google News and the percent of spending according to CMS (28% of articles in Google vs 6.6% of spending according to CMS; *P*-value < .001). There was also a significant difference between both PubMed and Google News’ implication of hospitals compared with CMS data (6.38% and 16.44%, respectively, vs 32.4%; *P* values < .001).

### DISCUSSION

We found that academic and mainstream media publications criticize a variety of contributors to US health care costs. CMS found that drugs and devices accounted for about 16% of personal health care expenses in 2016.<sup>1</sup> In comparison, our analysis found that focus on drug costs occurred in 17% of academic publications and 9% of Google News articles. Working under the assumption that citations for drivers of health care costs should be proportional to the actual percentage of dollars spent on health care, insurance companies are more likely to be blamed and hospital costs are less likely to be blamed than the dollars spent, as reported by CMS data.

While the percentage of articles citing drugs as a possible driver of health care costs was slightly higher in the academic literature, it did not appear to be overrepresented in media coverage. Moreover, it was not cited at all as a driver of costs by authors who work in the industry. Thus, publications may reflect the views or biases of the authors who work in their respective settings. In one recent survey of hospital executives and clinicians, 87% of respondents cited pharmaceuticals and biotech companies as having a strong impact on rising health care costs,<sup>9</sup> even though hospital costs are a significant proportion of health care costs and were cited in the media articles as a leading driver of health care costs.

### Limitations

Limitations include the fact that news searches were made on 1 day, chosen arbitrarily, but may be different on other days. However, the results from the scientific literature, which

**Table 1** Journal and Media Articles Criticizing or Complaining of the High Cost of Health Care and Possible Sources of Cost\*

	PubMed Articles	Google News Articles
Total included cost sources	47	225
PBM, n (%)	0	1 (<1)
Drug/device, n (%)	8 (17)	21 (9)
Insurers, n (%)	4 (9)	63 (28)
Hospital, n (%)	3 (6)	37 (17)
Environment/lifestyle/medical problems, n (%)	15 (32)	22 (10)
Physician costs, n (%)	0	21 (9)
No group singled out, n (%)	14 (30)	46 (21)
Procedure, n (%)	3 (6)	12 (5)

PBM = pharmacy benefit manager.  
\*Articles retrieved April 10, 2018.

**Table 2** Journal Articles Criticizing or Complaining of the High Cost of Health Care and Possible Sources of Cost, By Academic Setting

	Teaching/Academic Hospitals	Industry	Other
Total included cost sources	17	2	28
PBM, n (%)	0 (0%)	0 (0%)	0 (0%)
Drug/device, n (%)	4 (24%)	0 (0%)	4 (14%)
Insurers, n (%)	1 (6%)	0 (0%)	3 (11%)
Hospital, n (%)	1 (6%)	0 (0%)	2 (7%)
Environment/lifestyle/medical problems, n (%)	4 (24%)	2 (100%)	9 (32%)
Physician costs, n (%)	0 (0%)	0 (0%)	0 (0%)
No group singled out, n (%)	5 (29%)	0 (0%)	9 (32%)
Procedure, n (%)	2 (12%)	0 (0%)	1 (4%)

PBM = pharmacy benefit manager.

come from a wider time period, show broadly similar finds. Another limitation is that a quantitative analysis of cost drivers was not done. While it would have been meaningful in articles that discussed multiple drivers of health care costs to know the relative weight the authors thought each potential driver contributed to the overall problem, this quantification would have been purely subjective, and most articles did not discuss multiple drivers of cost. Finally, CMS data were generalizations of each category and did not allow for a more detailed analysis of dollars spent on each category (eg, cost for devices used in the hospital were counted as hospital costs and were not able to be extracted and reassigned to the device category). Moreover, CMS is known for low administrative costs compared with other insurers.

**CONCLUSION**

In short, we find that there are many possible drivers of rising health care costs cited in both the academic literature and lay media. The allocation of blame is not always in proportion with true health care spending, and certain drivers are under- and overrepresented by academic and lay media publications.

**References**

1. National Public Radio, Robert Wood Johnson Foundation, and Harvard T.H. Chan School of Public Health. Patients’ Perspectives on Health Care in the United States. A Look at Seven States and the

Nation. 2016. Available at: <https://www.npr.org/assets/img/2016/02/26/PatientPerspectives.pdf>. Accessed January 13, 2019.

2. The Texas Medical Center. The Nation’s Pulse: The Texas Medical Center’s Consumer & Physician Survey. 2017. Available at: <http://www.tmc.edu/health-policy/wp-content/uploads/sites/5/2017/09/2017NationsPulsePresentation.pdf>. Accessed January 13, 2019.

3. Branning G, Vater M. Healthcare spending: plenty of blame to go around. *Am Health Drug Benefits*. 2016;9(8):445–447.

4. Garthwaite C. For example, we rarely talk about researchers at large academic hospitals almost uniformly pointing their fingers at big bad pharma as the boogeyman in health spending – even though there are clear (albeit indirect) financial conflicts of interest there (3/2). Available at: [https://twitter.com/C\\_Garthwaite/status/978262070197137408](https://twitter.com/C_Garthwaite/status/978262070197137408). Posted March 26, 2018. Accessed May 1, 2018.

5. Weixel N. Defending the ‘middlemen’ in the battle on drug prices. *The Hill*. May 15, 2018.

6. Terry K. Rising healthcare costs: it’s time to blame hospitals, Not just insurers. *MoneyWatch*. 2010. Available at: <https://www.cbsnews.com/news/rising-healthcare-costs-its-time-to-blame-hospitals-not-just-insurers/>. Accessed January 13, 2019.

7. Flows C. Who’s to blame for our rising healthcare costs? *Forbes*. 2013. Available at: <https://www.forbes.com/sites/realspin/2013/04/03/whos-to-blame-for-our-rising-healthcare-costs/#4ac8e921280c>. Accessed January 13, 2019.

8. Centers for Medicare & Medicaid Services. National health and expenditure data. Available at: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealth-ExpendData/NationalHealthAccountsHistorical.html>. Accessed May 8, 2018.

9. Buzz survey report: cost of care and physician responsibility. *NEJM Catalyst*. 2018. Available at: <https://catalyst.nejm.org/buzz-survey-university-of-utah-health-1-cost-care/>. Accessed January 13, 2019.