

The Source Team Co-Authors Research Article Examining Impacts of Cross-Market Hospital Mergers

A [new research article](#) examining the impact of “cross-market” hospital mergers on prices and quality published in Health Services Research has been co-authored by The Source’s own Jaime King, Katherine Gudiksen, Alexandra Montague, and Thomas Greaney, along with our long-time collaborators, Daniel Arnold, Brent Fulton, and Richard Scheffler, from The Petris Center at UC Berkeley.

The study is the first to measure the impact of cross-market hospital acquisitions on quality and the first to identify price effects from multiple cross-market acquisitions (i.e. serial acquisitions). The study used commercial claims data from the Health Care Cost Institute and quality measures from Hospital Compare to analyze the effect of cross-market mergers on prices and quality. The study added to a growing body of research showing price increases for transactions that cross geographic markets and found that the effects were significantly increased for systems that acquired 4 or hospitals during the study period (2011 to 2017) with no measurable increase in quality measures, including mortality and readmission rates for heart failure, heart attacks and pneumonia. The analysis also indicates that serial acquirers are significant contributors to estimated cross-market price effects. The research highlights the need for more antitrust scrutiny of cross-market mergers, given the evidence that cross-market hospital mergers lead to price increases with no quality effect.