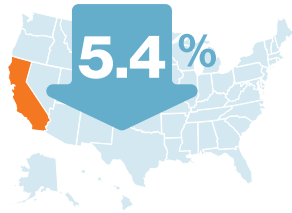


Default Rates Don't Protect Patients, Don't Reduce Costs, and Don't Ensure Access

California hospitals are working hard to reduce costs for struggling families.



California hospital costs per capita are 5.4% below national average

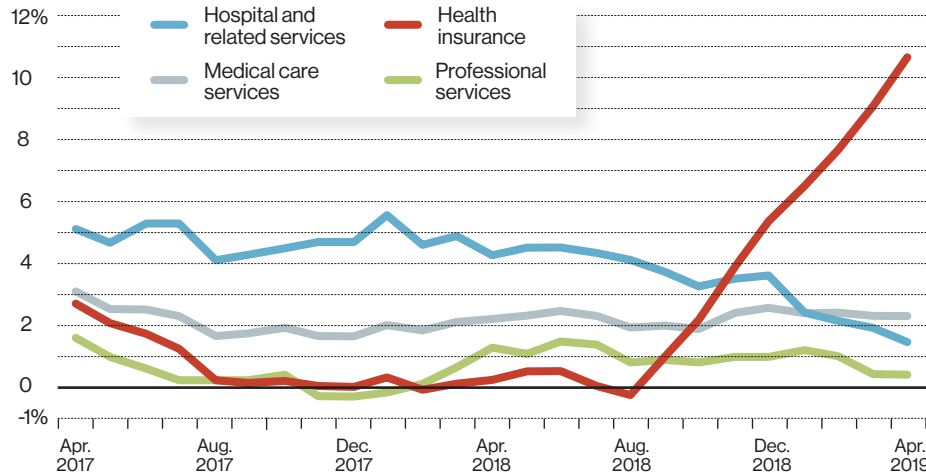
7x faster: rate of increase over 10 years of insurance company's share of health care costs compared to hospitals

Share of national health care spending attributable to hospitals down by 17% since 1980

Health insurance prices rising fast

Unadjusted percentage change from previous year

Sources: U.S. Bureau of Labor Statistics monthly consumer price index reports; www.modernhealthcare.com



Default rates compound the problem:

- the potential for more narrow networks
- a "thumb on the scale" for insurers
- reduced access to a full range of health care services



91% of California's health plan market controlled by 6 companies

Premiums up **23.7%** for employer-sponsored coverage between 2014 and 2017

2x: percentage of workers in high-deductible health plans between 2010-2018

