FPI
Fiscal Policy Institute

540 Broadway
Albany, NY 12207

press@fiscalpolicy.org
www.fiscalpolicy.org

By Bailey Hu, Health Policy Analyst
October 20, 2025

Public payers control healthcare spending better than private insurers

Key Findings

- Healthcare spending per capita in New York is higher than ever, rising by 48 percent in nominal terms from 2010 to 2019, well outpacing a nationwide increase of 37 percent.
- New York's per-capita spending on hospital care rose even faster, increasing by 54 percent—15 percentage points above national levels.
- Private-sector health insurance is driving spending growth—seeing much higher increases in spending per beneficiary (38 percent) compared to Medicare (16 percent) or Medicaid (8 percent).
- The rise in private health insurer spending is tied to higher prices for hospital care.
- Increases in private payer spending have burdened consumers: inflation-adjusted out-of-pocket spending rose by 59 percent from 2010 to 2019, and average deductibles for individual plans rose by 86 percent.

Introduction

Spending on healthcare for New York residents is higher than ever.[1] From 2010 to 2019, nominal healthcare spending in the state rose by 48 percent to nearly $13,000 per capita. During the same period, per capita healthcare spending across the US rose by a much lower margin of 37 percent.[2]

[1] In this report, we focus on what the Centers for Medicare & Medicaid Services call "personal health care spending," which includes what payers (including government programs, insurance companies, employers and consumers) spend on goods and services such as prescription medications and surgeries for New York residents. Personal health care spending does not include insurance premiums, insurers' administrative costs, or medical research funding. Source: Centers for Medicare & Medicaid Services (CMS), "Health Expenditures by State of Residence," August 12, 2022, http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/resident-state-estimates.zip.

[2] CMS, "Health Expenditures by State of Residence."

While New York politicians often point to rising Medicaid spending as a key policy concern, the data tell a different story: Our analysis will show that private-sector (largely employer-sponsored) health insurance has driven spending increases while public payer spending growth has been comparatively low. In the decade after 2010, Medicare and Medicaid spending rose by just 16 and 8 percent per beneficiary, respectively, while private insurance spending in New York skyrocketed by 38 percent.[3]

These spiraling costs have dramatic consequences for ordinary New Yorkers and the state economy more broadly. Increased healthcare spending burdens consumers directly by saddling them with higher out-of-pocket payments, including copays and coinsurance, which can lead to medical debt. Higher private insurance costs are also a burden to employers, who typically pay over 70 percent of insurance premiums—putting downward pressure on wages and discouraging job creation in New York.[4]

Why has the private sector done such a poor job of controlling healthcare costs, particularly compared with public payers such as Medicare and Medicaid? Data from the Centers for Medicare & Medicaid Services (CMS) show that among the different categories of healthcare goods and services, hospital care is the biggest driver of rising spending.[5] Hospital spending rose by 48 percent in nominal terms in New York between 2010 and 2019, compared to 37 percent nationally.

In principle, growth in hospital spending might be driven by either rising prices or rising utilization—New Yorkers may be using more services, or we may spend more per service. But our analysis of new data from the University of Washington's Disease Expenditure Project shows that utilization has in fact declined among New York's privately insured population: New Yorkers had fewer inpatient admissions and ambulatory visits in 2019 than in 2010. Instead, these data show that rising *prices* for hospital care likely explain spiraling healthcare costs. These increases have hit private payers especially hard, resulting in dramatic increases in out-of-pocket spending in New York. Indeed, private payers in New York now pay nearly three times what Medicare pays for hospital care.

Why have hospital prices risen so much for private payers, particularly in comparison to public payers? Some commentators argue that the two phenomena are related: Because Medicare and Medicaid prices are so low, hospitals are forced to shift costs onto private payers by paying them more.[6] However, research has disproven this theory, showing that the hospitals most exposed to low public-payer prices tend to receive low prices from private payers as well, and that hospitals facing lowered payments from public programs tend to cope by cutting costs rather than raising prices.[7] High prices *are* associated with hospital mergers and acquisitions, which increase a hospital system's bargaining power with private insurers.[8]

[3] CMS, "Health Expenditures by State of Residence."
[4] Gary Claxton et al., "Employer-Sponsored Health Insurance 101," KFF, May 28, 2024, https://www.kff.org/health-costs/health-policy-101-employer-sponsored-health-insurance/?entry=table-of-contents-why-is-employer-sponsored-health-insurance-so-dominant.
[5] CMS, "Health Expenditures by State of Residence."
[6] Christopher M. Whaley et al., "Prices Paid to Hospitals by Private Health Plans," RAND, December 10, 2024, https://www.rand.org/pubs/research_reports/RRA1144-2-v2.html.
[7] Laurence Baker, "Does Shift Happen? Key Concepts and Evidence in the Hospital Cost-Shifting Debate," California Health Care Foundation, April 24, 2025. https://www.chcf.org/resource/does-shift-happen-key-concepts-and-evidence-in-the-hospital-cost-shifting-debate/.
[8] Scott Levinson, "Ten Things to Know About Consolidation in Health Care Provider Markets," KFF, April 19, 2024, https://www.kff.org/health-costs/ten-things-to-know-about-consolidation-in-health-care-provider-markets/.

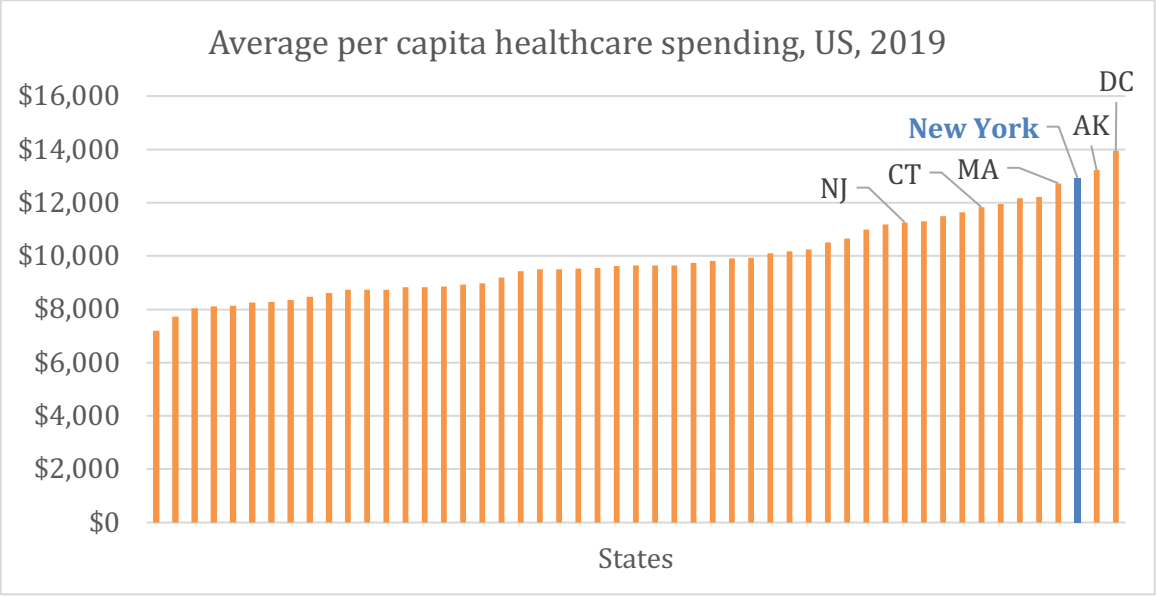
These two facts point to a stark divide between New York's safety-net hospitals, which struggle to provide quality care for low-income and uninsured people, and its larger, wealthier institutions, which have greater leeway to raise prices for their privately-insured patients. Merely allowing private prices to continue rising well past public payer rates will not lead to greater access or quality of care for all. Instead, it further widens gaps in an already inequitable system.

Policies from New York's not-so-distant past may help point the way forward. In the 1980s, New York and other states, enacted programs for setting hospital rates (rather than relying on individual hospital-payer negotiations) that proved effective at containing costs and improving access to care.[9] The state could adopt similarly comprehensive programs in the future to balance cost control with the need for quality, affordable care.

New York's healthcare spending is rising fast

New York state's spending on medical goods and services has long exceeded that of most other states, both in terms of total and per-capita expenditures. A large and growing portion of this spending is dedicated to hospital care.

Figure 1. New York has higher healthcare spending than most other states



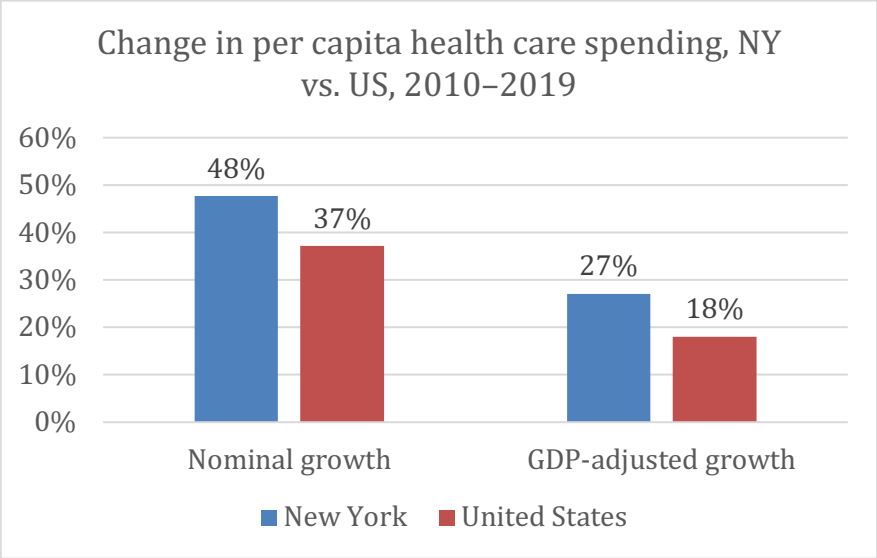
Source: CMS Health Expenditures by State of Residence

Total spending on healthcare for New York state residents rose by 48 percent from 2010 to 2019, reaching $252 billion in 2019.[10] Due to very low population growth across the state, average per-capita healthcare spending in New York also rose by 48 percent, from under $8,800 per state resident in 2010

[9] Graham Atkinson, "State Hospital Rate-Setting Revisited" *Commonwealth Fund* 69, no. 1332 (2009): https://www.commonwealthfund.org/publications/issue-briefs/2009/oct/state-hospital-rate-setting-revisited.
[10] We chose to exclude 2020 data because the pandemic disrupted typical patterns of spending. Source: CMS, "Health Expenditures by State of Residence."

to more than $12,900 in 2019.[11] After accounting for national economic growth over the same time period, per-capita healthcare spending in New York increased by 27 percent in the 2010s.[12] This is much higher than national per-capita healthcare spending, which, after adjusting for GDP growth, saw an 18 percent increase from 2010 to 2019.

Figure 2. New York healthcare spending rose faster than the nationwide growth rate



Source: CMS Health Expenditures by State of Residence, Bureau of Economic Analysis (BEA)

Hospital care is biggest driver of overall healthcare spending

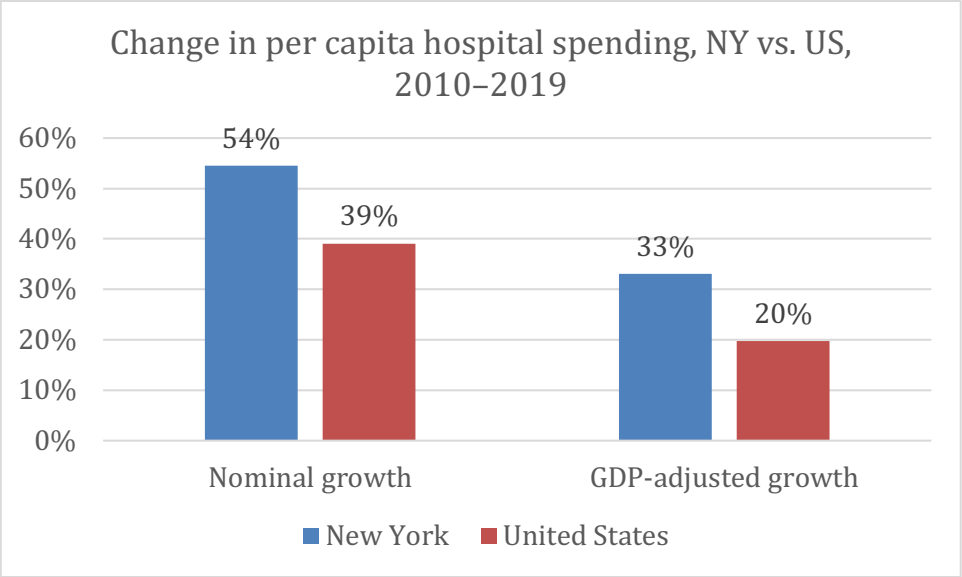
In New York, hospital care was among the fastest-growing categories of per-capita healthcare spending between 2010 and 2019.[13] Hospital care spending also grew faster in New York than in most other states.[14] What's more, this category makes up well over one third of all healthcare spending in New York.

In the period studied, total spending on hospital care in New York rose from around $62 billion to $96 billion. Average per-capita hospital care spending also rose by more than 50 percent, from around

[11] US Census Bureau, "2019 U.S. Population Estimates Continue to Show the Nation's Growth Is Slowing," September 21, 2022. https://www.census.gov/newsroom/press-releases/2019/popest-nation.html.
[12] Following CMS methodology for analyzing national health expenditures, we used US GDP growth as a benchmark for New York's healthcare spending. Sources: Centers for Medicare & Medicaid Services, *National Health Expenditure Accounts: Methodology Paper, 2023,* 2023, https://www.cms.gov/files/document/definitions-sources-and-methods.pdf; US Bureau of Economic Analysis, National Income and Product Accounts*, Table 1.1.7. Percent Change from Preceding Period in Prices for Gross Domestic Product*, last revised August 28, 2025, https://www.bea.gov/data/prices-inflation/gdp-price-index.
[13] Only per capita home healthcare spending, which nearly doubled during the same period, grew faster than hospital care spending in New York. But in 2019, home healthcare spending made up less than 6 percent of all healthcare spending in the state, a much smaller portion than hospital care. Source: CMS, "Health Expenditures by State of Residence."
[14] CMS, "Health Expenditures by State of Residence."

$3,200 to over $4,900 per person.[15] In comparison, the national rate of per-capita hospital spending rose by a lower rate of 39 percent.

Figure 3. New York spending on hospital care rose rapidly in the 2010s

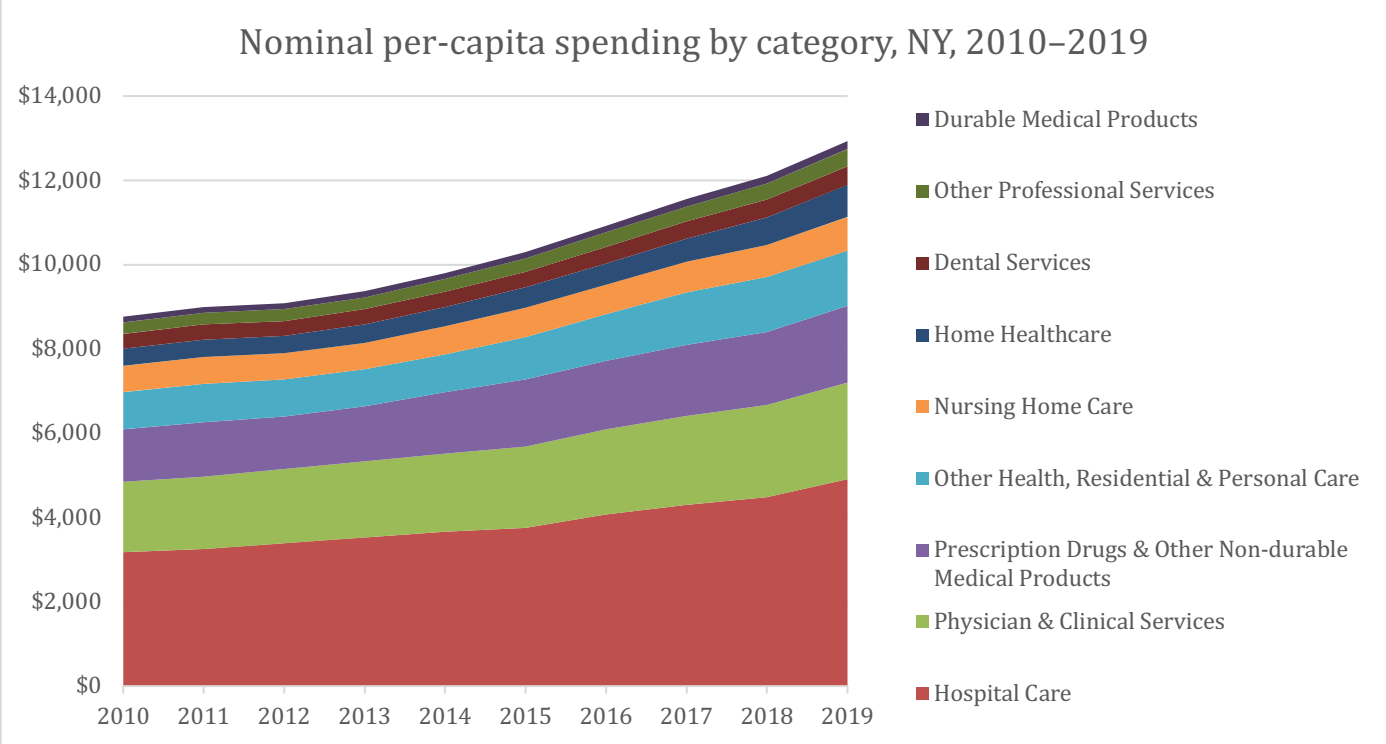


Source: CMS Health Expenditures by State of Residence, Bureau of Economic Analysis (BEA)

In addition to being the largest category of healthcare spending in New York, from 2010 to 2019 hospital care expenses rose faster than almost all other categories. In 2019, hospital care made up 38 percent of healthcare expenditures, more than twice the size of the next largest category, physician and clinical services (18 percent).

[15] Only three states—South Dakota, West Virginia, and California—had higher rates of growth in per-capita hospital care spending.

Figure 4. Hospital care makes up a large portion of healthcare spending in New York



Source: CMS Health Expenditures by State of Residence

Medicaid and Medicare spending growth has been surprisingly low

When we examine healthcare spending growth by payer type we find a surprising trend: private payers appear to have driven up healthcare spending in New York much more than Medicare and Medicaid have. While Medicare and Medicaid spend more in absolute terms than private health insurance, largely because of the populations they cover, these programs have done a far better job in recent years of controlling spending growth. Nominal spending per beneficiary has grown at a rate of just 16 percent for Medicare and 8 percent for Medicaid compared to 38 percent for private insurance. The relative savings of public payers can be attributed to low growth in hospital spending from 2010 to 2019.

Public payer spending is high, but so are enrollees' health needs

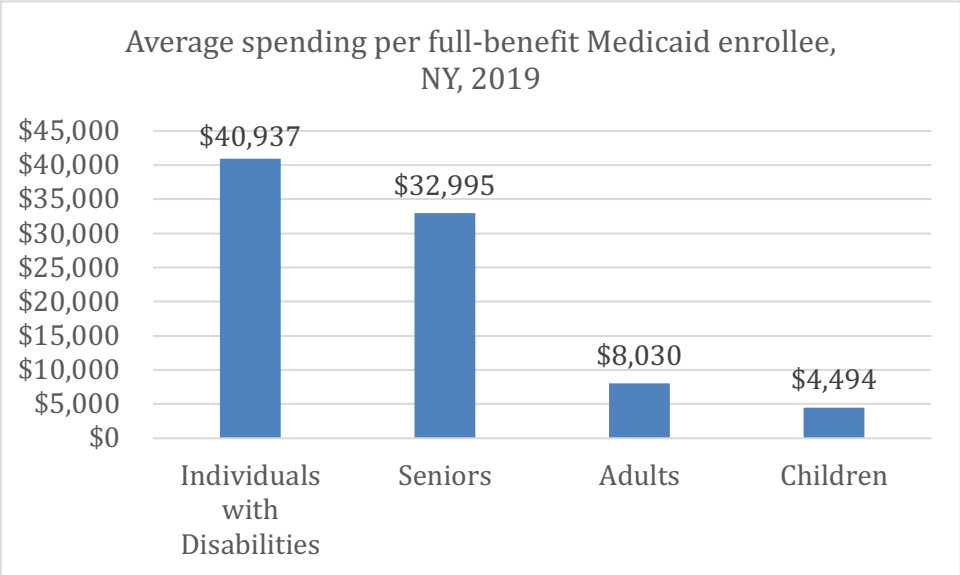
In 2019, Medicare spent twice as much per beneficiary ($13,600) compared to private health insurance ($6,400). Medicaid spending landed in the middle, at around $11,000 per beneficiary. The amount that insurers spend on care varies with enrollees' health and age. Private health insurance beneficiaries, many of whom get their coverage through employers, tend to be working-age adults and children. In contrast, Medicare exclusively covers adults over age 65 and individuals with disabilities.

Medicaid covers a wider range of enrollees, including many healthy adults and children, as well as older people and those with disabilities who require long-term care. Long-term care is extremely expensive in New York and is not covered by Medicare.[16] Thus, a relatively small share of Medicaid enrollees makes

[16] New York State Department of Financial Services, "Long Term Care Insurance," June 7, 2023: 4, https://www.dfs.ny.gov/system/files/documents/2023/06/dfs_ltc_report_20230607.pdf.

up an outsize portion of total spending in New York, in part because of the state's relatively generous eligibility requirements.[17] As the chart below shows, Medicaid spending on dual-eligible individuals (that is, those who qualify for benefits from both Medicaid and Medicare) with disabilities and seniors far exceeds average spending for adults and children.[18] This is a feature, not a bug: the additional spending has helped many New Yorkers cope with the staggeringly high cost of long-term care.

Figure 5. Medicaid spends much more on enrollees with high health needs



Source: KFF analysis of CMS T-MSIS data

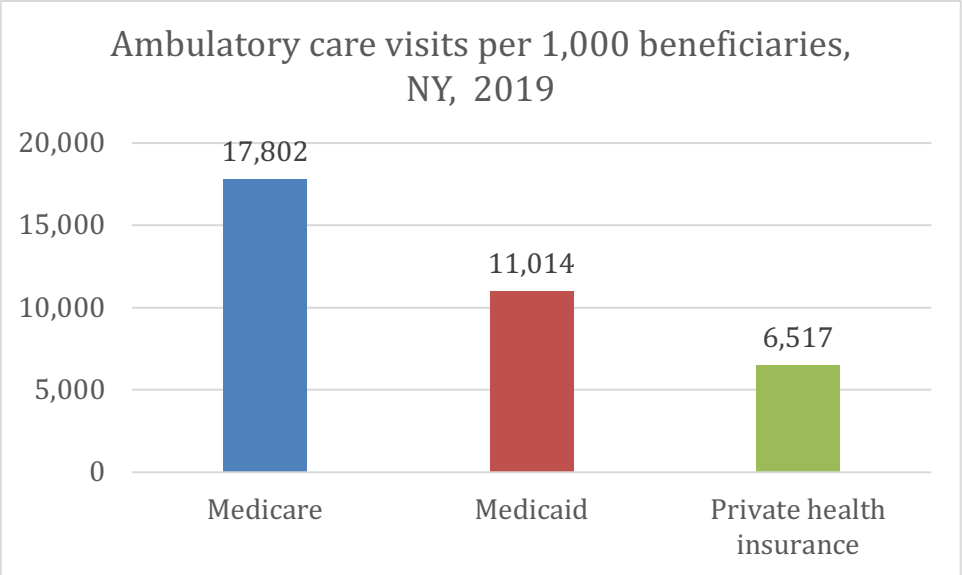
In addition, New York Medicare and Medicaid enrollees receive more care on average than private health insurance enrollees, Disease Expenditure Project data showed.[19] For example, when it comes to ambulatory care, which includes services such as yearly doctors' checkups that do not require an overnight stay, Medicare enrollees have consistently logged many more visits per beneficiary compared to Medicaid and private insurance.[20] In 2019, Medicare saw 17,800 ambulatory care visits per 1,000 beneficiaries, compared to around 11,000 visits for Medicaid and 6,500 for private healthcare enrollees.

Private health insurance enrollees also had far fewer encounters per 1,000 beneficiaries for emergency department, inpatient, nursing facility, and home healthcare. Given the differences not only in the quantity but intensity of care received, it is no wonder that Medicare and Medicaid spent more per enrollee compared to private health insurance. In fact, the difference in spending per beneficiary is

[17] Michael Kinnucan, "Making Sense of New York's Medicaid Long-Term Care Spending," December 4, 2024: 6, https://fiscalpolicy.org/making-sense-of-new-yorks-medicaid-long-term-care-spending.
[18] Spending per enrollee comes from a different data source and should not be directly compared to other healthcare spending estimates in this report. Source: KFF, "Medicaid Spending per Full-Benefit Enrollee by Enrollment Group," 2019, https://www.kff.org/medicaid/state-indicator/medicaid-spending-per-full-benefit-enrollee/.
[19] Joseph L. Dieleman et al. "Tracking US Health Care Spending by Health Condition and County," *JAMA* 333, no. 12 (2025): 1051, https://doi.org/10.1001/jama.2024.26790.
[20] Private health insurance did cover more healthcare encounters per 1,000 beneficiaries than Medicare or Medicaid in one category: dental care. Source: Institute for Health Metrics and Evaluation (IHME), "United States Health Care Spending by Health Condition and County 2010–2019," 2025, https://ghdx.healthdata.org/record/ihme-data/us-health-care-spending-cause-county-2010-2019.

surprisingly small given these disparities. In addition, as we will show in the next section, private insurer spending growth has far outpaced that of Medicare and Medicaid.

Figure 6. Medicare and Medicaid beneficiaries received more care than private insurance enrollees



Source: Institute for Health Metrics and Evaluation (IHME)

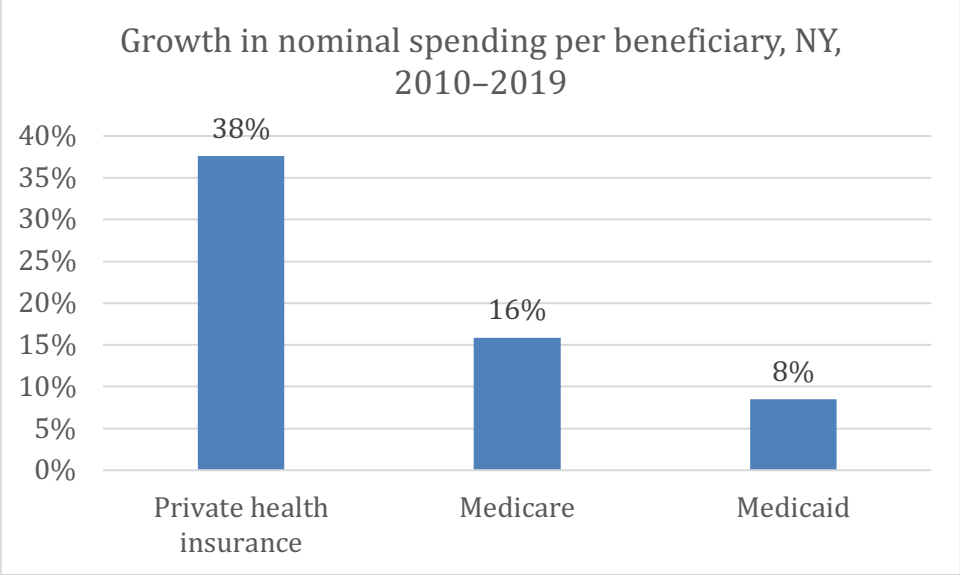
Private insurer spending has soared despite low enrollment growth

Private health insurer spending has grown faster than both Medicare and Medicaid, considering relatively low increases in enrollment. From 2010 to 2019, private health insurance enrollment only grew by 2 percent, yet overall spending rose by 40 percent. Compare that to Medicare, which had a 21 percent gain in enrollment during the same timeframe (most likely because of New York's aging population) and a 41 percent increase in nominal spending.

The difference is even more stark for Medicaid, which saw major shifts thanks to the passage of the Affordable Care Act (ACA). Under the ACA expansion, millions of relatively healthy adults entered New York's program, pushing down per-enrollee spending growth between 2010 and 2019. Although spending on long-term care increased, this was not enough to offset large gains in overall cost-effectiveness due to changes in the enrolled population. From 2010 to 2019, Medicaid enrollment rose by 23 percent in New York and nominal Medicaid spending rose by a lower margin of 33 percent.

Stated another way, in the 2010s nominal spending per beneficiary rose twice as fast for private insurers (38 percent) as it did for Medicare (16 percent) and four times the pace of Medicaid spending per enrollee (8 percent). The gap between Medicaid and private insurer per-beneficiary spending would likely have been smaller if not for changes to the Medicaid enrollee population under New York's ACA expansion. However, this does not erase the fact that private insurer spending rose at a higher overall rate than Medicaid despite enrollees receiving a lower volume of care.

Figure 7. Spending per beneficiary has risen much faster for private health insurers



Source: CMS Health Expenditures by State of Residence

The difference between private and public payer spending growth comes from hospital care

Medicaid and Medicare have controlled hospital spending

Medicaid and Medicare experienced much slower growth in spending per beneficiary compared to private insurers from 2010 to 2019. Although this may seem puzzling at first, given that Medicaid and Medicare enrollees tend to receive more care on average, the difference is likely tied to hospital care.

As mentioned previously, hospital care makes up the largest share of overall healthcare spending and grew rapidly during the 2010s. However, this was not true across all payers: While nominal per-capita hospital care spending increased by 54 percent statewide between 2010 and 2019, hospital care spending per beneficiary only rose by 6 percent for Medicare and *dropped* by 2 percent for Medicaid.[21]

However, Medicaid and Medicare have seen spending increases in other areas. Medicare per-enrollee spending on prescription drugs shot up by 42 percent from 2010 to 2019, and Medicaid saw a 30 percent increase in a category that includes community-based long-term care. Despite this, both payers still ended up with relatively low growth in per-beneficiary spending, because hospital care plays such an outsize role in healthcare expenses.

[21] CMS, "Health Expenditures by State of Residence."

Private health insurance's spending growth soared alongside hospital care

Unlike public payers, private health insurers in New York struggled to contain spending on hospital care, contributing to out-of-control overall spending growth in the 2010s. Why was this the case? A growing body of research points to the rapidly rising hospital prices paid by commercial insurers.

Hospital prices work very differently in the private sector than they do for public payers. Medicare and Medicaid rates for hospital services are effectively set by the federal and state governments, respectively, and growth is limited to what the government chooses to pay. Commercial hospital prices, on the other hand, are negotiated between each hospital system and each individual private insurer. Thus, prices vary widely from payer to payer, even for the same service at the same hospital.

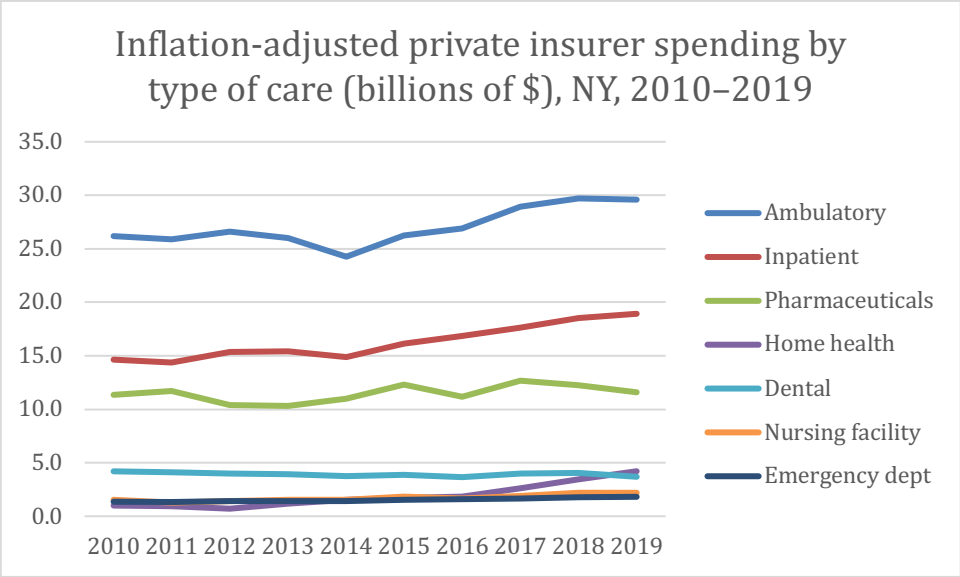
Hospitals often have a better hand in these negotiations than insurers, especially as hospital markets have become increasingly concentrated through mergers and acquisitions in recent decades.[22] An insurer that cuts a hospital chain out of its network can face massive blowback from customers. As a result, in the past twenty years, commercial hospital prices have grown much faster than those paid by Medicare and Medicaid. Research has shown that commercial payers pay 2.5 times as much for the same care as Medicare does on average nationally, and nearly three times as much in New York state.[23]

Does this divergence explain skyrocketing private healthcare spending in New York? Unfortunately, CMS health expenditure data does not break out state-level private insurance spending by category. However, data from the Disease Expenditure Project shows hospital care may be the cause of high spending growth. This affirms previous research linking rising prices for inpatient care to increased private insurer spending in New York.[24]

For private health insurers, spending on services that are often delivered in hospitals—especially inpatient and ambulatory care—rose considerably in the 2010s.[25] Private insurer spending on ambulatory care in New York increased by 13 percent (after adjusting for inflation) between 2010 and 2019, reaching $29.6 billion.[26] Inpatient care spending rose by an even larger margin, 29 percent, over the same timeframe, eventually reaching $18.9 billion. Although emergency department care spending also increased quickly, its $1.8 billion total in 2019 made up a much smaller fraction of overall healthcare spending by private insurers.

[22] Zachary Levinson et al. "Ten Things to Know About Consolidation in Health Care Provider Markets," KFF, April 19, 2024, https://www.kff.org/health-costs/ten-things-to-know-about-consolidation-in-health-care-provider-markets/.
[23] Whaley et al. "Prices Paid to Hospitals."
[24] Health Care Cost Institute and NYS Health Foundation. "Health Care Spending, Prices, and Utilization for Employer-Sponsored Insurance in New York." July 2019. https://healthcostinstitute.org/hcci-originals-dropdown/all-hcci-reports/health-care-spending-in-new-york-growing-faster-than-rest-of-u-s.
[25] Ambulatory care can be delivered in different settings, including hospitals, doctors' offices, or a mix of both. However, since ambulatory care tends to be more expensive at hospitals than doctors' offices, it seems reasonable to assume hospital care makes up a large share of this category. Source: Roslyn Murray et al., "Estimating Savings from the Fair Pricing Act and Commercial Site-Neutral Payments in New York State," 32BJ Labor Industry Cooperation Trust Fund, February 11, 2025: 6–7.
[26] The study authors used CMS state health expenditure data as a benchmark, but their totals for private health insurer spending in New York were slightly different. In addition, they adjusted for inflation using the Consumer Price Index, which rose a little faster than GDP growth in the years 2010–2019. Sources: Dieleman, *JAMA* 33: 1051, IHME, "US Health Care Spending"

Figure 8. Private insurer spending on inpatient and outpatient care rose in the 2010s



Source: IHME

Of course, increases in spending might be driven by volume as well as price. Although CMS data shows that the private enrollee population only expanded by 2 percent during the 2010s, if patients received more care on average, costs could have increased regardless of how much was charged per service. However, in New York, the number of inpatient admissions and ambulatory care visits per 1,000 private health insurance enrollees *decreased* from 2010 to 2019.[27]

As a result, spending per healthcare encounter (inpatient admission or ambulatory visit) has risen at similar or even faster rates than total spending. From 2010 to 2019, private insurers' inflation-adjusted spending per inpatient admission rose from $22,500 to $28,800, a 28 percent increase.[28] Spending per ambulatory care visit also grew by a margin of 28 percent during the same timeframe, from $286 to $365 per visit.

Consumers have seen rising deductibles and out-of-pocket spending

Increased spending among private payers has tangibly impacted New Yorkers, many of whom get their healthcare coverage through employer-sponsored plans. Not only did deductibles rise dramatically from 2010 to 2019, but out-of-pocket spending also saw steep increases.

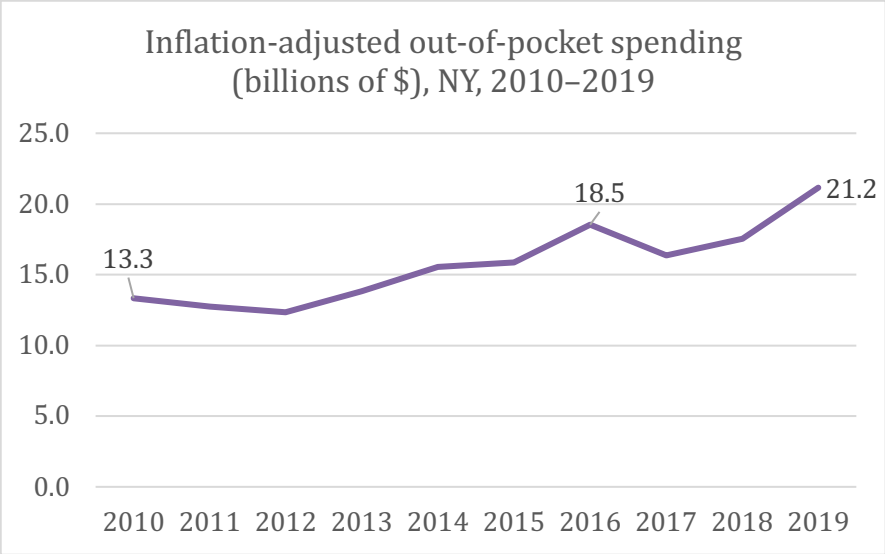
Deductibles are the threshold amount employees must spend on care before their insurance begins to cover costs. Over the 2010s, average deductibles for private healthcare plans in New York soared, meaning insurers covered fewer healthcare costs. According to the Agency for Healthcare Research and Quality, between 2010 and 2019 the average family plan deductible for New York's private sector

[27] IHME, "US Health Care Spending."
[28] IHME, "US Health Care Spending."

employees rose from around $1,700 to nearly $2,900, a 68 percent increase.[29] In the same period, the average deductible for individual plans rose by an even higher rate, 86 percent, from under $900 up to $1,700.[30]

Another measure of insurance quality is the amount consumers pay out of pocket for care, including copays, coinsurance, and spending up to a plan deductible. The more consumers pay, the worse their healthcare coverage. Disease Expenditure Project data shows that out-of-pocket spending in New York grew by 59 percent between 2010 and 2019 after adjusting for inflation. In 2019 dollars, total out-of-pocket spending by consumers rose from $13.3 billion to $21.2 billion. While this measure includes out-of-pocket spending by publicly insured individuals as well as those on private plans, out-of-pocket costs for Medicaid beneficiaries are very low, and Medicare out-of-pocket costs have tended to decline in recent years due to the rise of Medicare Advantage plans, meaning that this increase is almost certainly driven by declining private insurance quality.[31]

Figure 9. Private insurer spending on inpatient and outpatient care has risen in the 2010s



Source: IMHE

[29] Agency for Healthcare Research and Quality, "Average family deductible (in dollars) per employee enrolled with family coverage in a health insurance plan that had a deductible at private-sector establishments by firm size, New York, 2010 to 2019," https://datatools.ahrq.gov/meps-ic/.
[30] Agency for Healthcare Research and Quality, "Average individual deductible, New York, 2010 to 2019," https://datatools.ahrq.gov/meps-ic/.
[31] Centers for Medicare & Medicaid Services. n.d. "Cost Sharing Out of Pocket Costs." Medicaid.Gov. Accessed September 18, 2025. https://www.medicaid.gov/medicaid/cost-sharing/cost-sharing-out-pocket-costs; Erin Trish, "Out-of-Pocket Costs Are Substantially Lower in Medicare Advantage Than Traditional Medicare," USC Schaeffer Institute for Public Policy and Government Service, November 4, 2024 https://schaeffer.usc.edu/research/out-of-pocket-costs-are-substantially-lower-in-medicare-advantage-than-traditional-medicare/.

Conclusion

Healthcare spending in New York increased rapidly between 2010 and 2019 due to rising prices for hospital care, which affected private insurers. As a result, New Yorkers covered by employer-sponsored plans have experienced rising deductibles and out-of-pocket spending.

Although spending dipped during the early years of the pandemic as people put off nonessential care, national data show healthcare spending may be on track to resume or even surpass pre-pandemic levels.[32] This has worrying implications for healthcare consumers and policymakers in New York.

Out-of-control healthcare spending is not inevitable. In fact, Medicare and Medicaid successfully restrained spending in the 2010s, especially on hospital care. Both payers set hospital reimbursement rates through administrative means, based on patient demographics, rather than negotiations with individual hospitals, as private insurers do.

Some observers have argued that the huge and growing gap between the hospital prices paid by Medicare and Medicaid those shouldered by commercial insurers reflects *underpayment* by public payers. In this theory, public insurers pay too little—even less than the cost of care—and hospitals are in effect forced to raise prices on commercial payers to make up the difference.

Evidence strongly suggests this theory is not true.[33] Hospitals facing lower payments from public payers do not tend to raise prices for private payers as a result. In fact, the hospitals in New York charging the highest commercial prices in the state tend to be part of large, wealthy health systems with outsized market power.[34]

Supporting hospitals that provide much-needed care is still important, especially in light of severe cuts to Medicaid that will hit safety-net hospitals hardest.[35] But the answer does not lie in allowing the hospitals with the greatest bargaining leverage to impose what amounts to an implicit tax on private-sector employers—nor does it lie in leaving those with less leverage to shut their doors.

Policymakers should look for more direct remedies to control spending while supporting struggling hospitals. As a forthcoming FPI report will discuss in greater detail, New York has some tried-and-tested methods for containing spending, including its former system for regulating hospital rates. These policies not only helped contain costs, but also increased access to care for the uninsured, showing that future interventions can simultaneously restrain spending and safeguard the ability of New Yorkers to get the care they need.

[32] Allen Hardiman, "Trends in Health Care Spending," American Medical Association, April 17, 2025, https://www.ama-assn.org/about/ama-research/trends-health-care-spending.
[33] Baker, "Does Shift Happen?"
[34] Bailey Hu et al, "Why is Health Care in New York So Unaffordable and What Can be Done to Fix It?", Community Service Society, February 2025, 1–41, https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/NYS_Health_Care_Affordability_February_2025.pdf.
[35] Emily Eisner and Michael Kinnucan, "New York Hospitals will Close under the 'One Big Beautiful Bill Act,'" Fiscal Policy Institute, June 27, 2025, https://fiscalpolicy.org/new-york-hospitals-will-close-under-the-one-big-beautiful-bill-act.