

Hospital Markets in Kentucky *at a glance*

A snapshot of hospital market structure, concentration, and ownership across the state — and how they've changed since 2000. This analysis reflects data available through May 2026.

In Kentucky, hospital markets have become substantially more concentrated since 2000, with average HHI rising by more than 1,300 points.

WHAT THIS ANALYSIS COVERS

This analysis focuses on the state's 96 general short-term acute care (GSAC) hospitals — the facilities where most privately insured, Medicare, and Medicaid patients receive inpatient care, and where market concentration most directly affects the prices employers and workers pay. Each hospital's market is defined via a 30-minute travel radius around that facility. Within it, we measure concentration using the Herfindahl-Hirschman Index (HHI) — a standard antitrust metric calculated as the sum of the squared market shares of the owners in a market. HHI ranges from 0 (many small hospitals, low concentration) to 10,000 (a monopoly market, which has a single owner). Our hospital-centric HHI is a consistent analytical proxy for market concentration, not a legally defined antitrust market.

● GSAC Hospitals (96)

● VA / Military

● Psychiatric / Behavioral

● Rehabilitation

● Children's Specialty

Market Concentration

Kentucky experienced a steep rise in hospital market concentration between 2000 and 2026, as average hospital market HHI rose 27%, from 4,678 to 5,964. From 2000 to 2026, the number of monopoly hospitals nearly quadrupled, from 6 to 22. Every hospital now has an HHI above 1,800, the threshold the Federal Trade Commission (FTC) and Department of Justice (DOJ) consider “highly concentrated.”

Over the last 26 years, 34 transactions have reshaped ownership. Sixteen of these qualified as “Red Zone” mergers. A Red Zone merger raises at least one merging hospital's market HHI by over 100 points to above 1,800, which DOJ and FTC guidelines presume is likely to raise prices.

2000 | 102 hospitals overall

2026 | 96 hospitals overall



CONCENTRATION SCALE (IN HHI)

● Low (<1,000 HHI) ● Moderate (1,000 to <1,800) ● High (1,800 to <5,000) ● Higher (5,000 to <10,000) ● Monopoly (10,000 HHI)

Explore the data yourself

Our tool has three components. **The Market Explorer** tracks how hospital market concentration has evolved from 2000 to May 2026, drawing on ownership data from the AHA's Annual Survey, validated against state health department filings, SEC disclosures, and public reporting. **The Closures Explorer** tracks hospital closures and openings nationwide, each year since 2000. **The Forecast Lab** uses that same data to model how a proposed merger, closure, or opening would reshape a hospital market as it stood in 2026 — it models the scenarios you specify and does not identify potential mergers.

Note on the data: The tool uses a first-of-its-kind database that we built from scratch. We have done our best to gather and validate the data; however, if you notice an error (e.g., a hospital's name, a merger year) or if you have questions about our methodology, please notify us at HealthCareAffordabilityLab@yale.edu.

Health Care
Affordability Lab
at Yale

Explore Market Concentration at
Markets.HealthCareAffordabilityLab.org



QR code to KY Hospitals

Hospital Markets in Kentucky

October 2026

Key Stats

AVG HHI INCREASE

+1,286

4,678 → 5,964

RED ZONE TRANSACTIONS

16 of 34

47% in Red Zone

SYSTEM OWNERSHIP

62% → 75%

63/102 → 72/96 part of system

MONOPOLY MARKETS

22 of 96

nearly quadrupled

Rapid Consolidation

Kentucky's hospitals have consolidated substantially in the past 26 years. The share owned by a multi-hospital system rose from 62% in 2000 to 75% in 2026. The state's largest operators are Appalachian Regional Healthcare (11 hospitals), LifePoint Health (8), and Baptist Health (8).

2000 | 102 hospitals overall

63 in 16 systems 39 independents

62%

38%

2026 | 96 hospitals overall

72 in 16 systems 24 independents

75%

25%

Kentucky's Largest Systems

Sixteen systems own 72 of Kentucky's 96 hospitals.

SYSTEM	HOSPITALS IN STATE	AVERAGE MARKET HHI	HOSPITALS WITH CONCENTRATION ABOVE 1,800 HHI
Appalachian Regional Healthcare	11	8,551	11 of 11
LifePoint Health	8	5,235	8 of 8
Baptist Health	8	4,913	8 of 8
Med Center Health	6	6,516	6 of 6
CommonSpirit Health	6	4,781	6 of 6

Average market HHI reflects the mean HHI across each system's hospitals within the state. HHI is calculated within a 30-minute travel radius of each facility. National hospital data typically lags by one to two years for new openings and recent ownership changes, so figures for 2024–2026 are preliminary and may not yet reflect all recent activity.

Mergers in Markets That Were Already Concentrated

Kentucky's concentration increase was driven by several mergers. Of the state's 34 transactions since 2000, 16 qualified as Red Zone mergers. Over the past 26 years, national and regional systems acquired multiple hospitals across the state, including in eastern Kentucky's rural markets.

