

Hospital Markets in Tennessee *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 Tennessee, the percentage of hospitals owned by a system rose from 72% in 2000 to 86% in 2026.

WHAT THIS ANALYSIS COVERS

This analysis focuses on the state's 114 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 (114)** ● VA / Military ● Psychiatric / Behavioral ● Rehabilitation ● Children's Specialty

Market Concentration

Tennessee's hospital markets have become substantially more concentrated since 2000, with average hospital market HHI rising from 4,709 to 6,047, an increase of 1,338 points. Every hospital now operates in a market with an HHI above 1,800, the threshold the Federal Trade Commission (FTC) and Department of Justice (DOJ) consider “highly concentrated.” The number of monopoly hospitals increased markedly from 13 to 35. Over the period, 26 hospitals closed and 9 opened, leading to a net loss of 17 hospitals. Fifty transactions reshaped ownership. Twenty-three of those transactions (46%) 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 | 131 hospitals overall

2026 | 114 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 TN Hospitals

Hospital Markets in Tennessee

October 2026

Key Stats

AVG HHI INCREASE

+1,338

4,709 → 6,047

RED ZONE TRANSACTIONS

23 of 50

46% in Red Zone

SYSTEM OWNERSHIP

72% → 86%

94/131 → 98/114 part of system

HOSPITALS LOST (NET)

-17

26 closed, 9 opened

System Ownership Rose Sharply

The share of Tennessee hospitals owned by a multi-hospital system rose from 72% to 86% between 2000 and 2026, and the number of independent hospitals fell from 37 to 16. The largest systems are HCA Healthcare (15 hospitals) and Ballad Health (11), followed by West Tennessee Healthcare (10).

2000 | 131 hospitals overall

94 in 19 systems 37 independents

72%

28%

2026 | 114 hospitals overall

98 in 16 systems 16 independents

86%

14%

Tennessee's Largest Systems

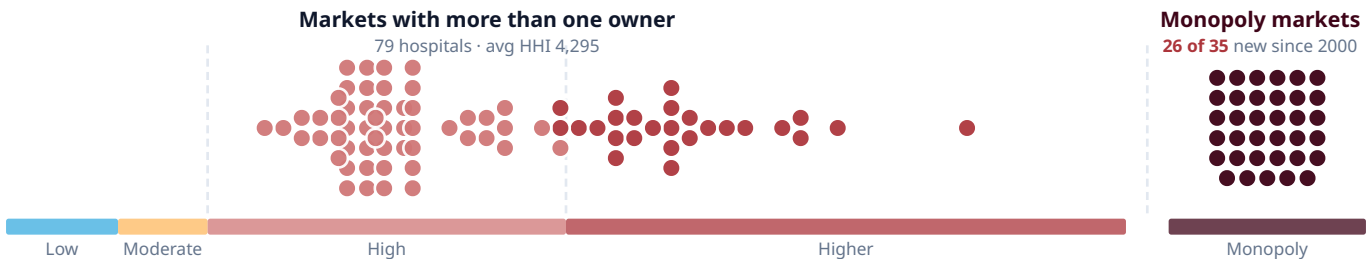
Sixteen systems own 98 of Tennessee's 114 hospitals; HCA Healthcare and Ballad Health lead.

SYSTEM	HOSPITALS IN STATE	AVERAGE MARKET HHI	HOSPITALS WITH CONCENTRATION ABOVE 1,800 HHI
HCA Healthcare	15	4,489	15 of 15
Ballad Health	11	10,000	11 of 11
West Tennessee Healthcare	10	7,873	10 of 10
LifePoint Health	10	6,825	10 of 10

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.

New Monopoly Markets

The number of monopoly hospitals in Tennessee more than doubled, from 13 in 2000 to 35 in 2026. Many of these monopolies formed through acquisitions by systems. For instance, Ballad Health, which formed through a 2018 merger of Mountain States and Wellmont, brought hospitals across northeastern Tennessee under a single owner, 11 of which were in monopoly markets.



Each dot is one of Tennessee's 114 hospitals, placed by its 2026 market HHI. Ballad Health, formed by the 2018 Mountain States–Wellmont merger, holds 11 of the 35 monopoly markets.