The U.S. spends substantially more on health care than other wealthy countries with little evidence for commensurate gains in health. In response numerous policy changes have been implemented, from raising deductibles to facilitate price shopping to relying on competition among insurers in Medicare and under the ACA rely, but they all rely on simple economic models of optimizing agents to incentivize efficiency. I present new evidence from a growing body of literature that calls these basic assumptions into question.