



November 9, 2023

The Honorable Charles E. Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mike Johnson
Speaker of the House
United State House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Hakeem Jeffries
Minority Leader
United State House of Representative
Washington, D.C. 20515

Dear Majority Leader Schumer, Speaker Johnson, Minority Leader McConnell, and Minority Leader Jeffries:

Every person and family should have high-quality health care that prevents illness, allows them to see a doctor when needed, and helps to keep their families healthy at a price they can afford. Yet, nearly half of all Americans have reported having to forgo medical care due to cost, and nearly one third say that the high cost of medical care is interfering with their ability to secure basic needs like food and housing.ⁱ Over 100 million people in America are experiencing record levels of medical debt.ⁱⁱ On behalf of the *Consumers for Fair Hospital Pricing* coalition and the *Consumers First* alliance, organizations representing families, workers, primary care clinicians, employers, and health care consumers across the United States, we urge the 118th Congress to act now to remedy some of the most obvious health system failings by improving price transparency, increasing healthy competition, and ensuring that patients pay the same price for the same health care service. Specifically, we call on Congress to come together and advance key provisions from House and Senate bipartisan proposals, including H.R. 5378, the *Lower Costs, More Transparency Act*, in an end-of-year package.

Fundamentally, the business interests of the hospital sector are at odds with the health and financial security of our nation's families. Hospitals and large hospital systems are setting inflated prices that have little to do with the actual cost or quality of the care they offer.ⁱⁱⁱ And health care consolidation, especially among hospitals, is a root cause of rising medical costs for consumers.^{iv} With a lack of competition, health systems place corporate gain over patient and consumer interests, up-charging costs of medical services with no guarantee of higher-quality care.

Fortunately, this Congress has taken steps to understand this issue and to alleviate the financial burden on consumers caused by health care consolidation. Committees with primary health care jurisdiction in both the Senate and House of Representatives have held bipartisan hearings and discussions on the root causes of rising prices and to better understand the impacts of daunting health care prices on

consumers and patients. Several bipartisan bills have been introduced and advanced that contain provisions to promote hospital pricing transparency and reduce healthcare costs for patients. As part of any end-of-year package, we urge Congress to include the following key solutions put forward in bipartisan legislation which represent critical steps to ensuring our nation's families have access to the high quality and affordable health care they deserve:

- **Achieve meaningful price transparency in the health care system by requiring all hospitals and health plans to disclose negotiated rates, in dollars and cents, establish standard formats including a machine-readable format, eliminate loopholes, and require hospital executive attestation and further increase penalties to encourage greater compliance by hospitals and insurance carriers.**^v These efforts should include codifying strengthened versions of both the Hospital Price Transparency and the Transparency in Coverage regulations and should be based on the related proposal in the *Lower Costs, More Transparency Act*.
- **Enact site neutral payments for drug administration services to help ensure consumers pay the same price for the same service regardless of where the service is performed.** Site neutral payments for drug administration services should be based on the related proposal in the *Lower Costs, More Transparency Act*, which is estimated to save the highest-need chemotherapy patients more than \$1,000 on cost sharing a year^{vi}
- **Advance billing transparency reforms so off-campus hospital outpatient departments are required to use a separate identifier when billing to Medicare or commercial insurers to ensure large hospital systems do not overcharge for the care they deliver in patient settings.** Billing transparency reforms should be largely based on the related proposals in *Lower Costs, More Transparency* and *S. 2840, the Bipartisan Primary Care and Health Workforce Act*.

There is more that we ask Congress to do to improve price transparency and health care affordability, including adoption of comprehensive site neutral payment policies, lifting the cap on maximum fines for hospital noncompliance with transparency requirements, banning anticompetitive contracting practices that drive up costs for consumers, and requiring transparency around private equity ownership of health care facilities. But make no mistake, the policies described in bold above would set a critical foundation for reducing inflated spending throughout the system and make health care more affordable and value-driven for consumers.^{vii} *Consumers for Fair Hospital Pricing* and *Consumers First* stand ready to support you in this essential and urgently needed work. Please contact Jane Sheehan, Director of Federal Relations at Families USA, JSheehan@familiesusa.org, for further information and to let us know how we can best be of service to you.

Sincerely,

Consumers for Fair Hospital Pricing
Colorado Consumer Health Initiative
Consumers for Quality Care
Families USA
Health Access California
Pennsylvania Health Action Network
U.S. PIRG

Consumers First Steering Committee
American Academy of Family Physicians
American Benefits Council
American Federation of State, County & Municipal
Employees
Families USA
Purchaser Business Group on Health

ⁱ Gallup, Record High in U.S. Put Off Medical Care Due to Cost in 2022, January 2023. <https://news.gallup.com/poll/468053/record-high-put-off-medical-care-due-cost-2022.aspx>. See also, NORC at the University of Chicago and West Health, Americans' Views on Healthcare Costs, Coverage and Policy, March 2018 <https://www.norc.org/NewsEventsPublications/PressReleases/Pages/survey-finds-large-number-of-people-skipping-necessarymedical-care-because-cost.aspx>

ⁱⁱ Naomi N. Levey, 100 Million People in America are Saddled with Health Care Debt, Kaiser Health News, June 16, 2022, <https://khn.org/news/article/diagnosis-debt-investigation-100-million-americans-hidden-medical-debt/>.

ⁱⁱⁱ Robert A. Berenson et al., Addressing Health Care Market Consolidation and High Prices, The Urban Institute https://www.urban.org/sites/default/files/publication/101508/addressing_health_care_market_consolidation_and_high_prices_1.pdf

^{iv} Jaime S. King et al., Preventing Anticompetitive Healthcare Consolidation: Lessons From Five States (Source on Healthcare Price and Competition and Nicholas C. Petris Center on Health Care Markets and Consumer Welfare, University of California Berkeley School of Public Health, June 2020), <https://sourceonhealthcare.org/profile/preventinganticompetitive-healthcare-consolidation-lessons-from-five-states/>; Martin Gaynor, Kate Ho, and Robert J. Town, "The Industrial Organization of Health-Care Markets," *Journal of Economic Literature* 53, no. 2 (June 2015): 235–284.

^v For more information on FUSA's recommendations on codifying a strengthened hospital price transparency rule into law, see: Sophia Tripoli, Adam Axler, The Power of Price Transparency: Unveiling Health Care Prices to Promote Accountability and Lower Costs, April 2023. Pages 13-15. <https://familiesusa.org/wp-content/uploads/2023/04/Powerof-Price-Transparency-final4.19.23.pdf>

^{vi} Actuarial Research Corporation, *Potential Impacts of Medicare Site Neutrality on Off-Campus Drug Administration Costs*, October 18, 2023. <https://craftmediabucket.s3.amazonaws.com/uploads/Drug-Admin-Off-Campus-Site-Neutrality-2023.10.18.pdf>

^{vii} Policy Approaches to Reduce What Commercial Insurers Pay for Hospitals' and Physicians' Services. Congressional Budget Office. 2022. <https://www.cbo.gov/publication/58222>