

December 11, 2023

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

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

Dear Speaker Johnson and Leader Jeffries:

The undersigned organizations representing the interests of consumers, employers, clinicians, and other health care stakeholders write in support of the bipartisan *Lower Costs, More Transparency Act* as it comes before the House of Representatives for consideration. **We believe this legislation contains policies that would set critical groundwork to reduce inflated spending throughout the system and make health care more affordable and value driven for consumers and we urge for a ‘yes’ vote.**

America’s families are struggling in a health care system whose payment structure incentivizes the delivery of high cost services regardless of the quality of care. Increased hospital and health system consolidation, combined with an ongoing lack of price transparency, precludes healthy competition and exacerbates irrational health care prices and anticompetitive behavior.ⁱ Far too many people in this country are forced to make impossible choices between seeking medical care and meeting basic needs, such as feeding their families, and nearly half of Americans report having to forgo medical care due to the costⁱⁱ. At the same time, people’s premiums keep rising, employers are spending increasingly more to keep their workers covered, and many workers’ wages are suppressed.ⁱⁱⁱ

The *Lower Costs, More Transparency Act* would make important strides towards addressing some of the most obvious health system failings that have enabled anticompetitive behaviors, prevented healthy competition, and resulted in monopolies that set unaffordable prices:

- This legislation makes clear, without any exception, that all hospitals and insurers are required to post the underlying price of health care services, in a machine readable and consumer-friendly format. Price transparency pulls back the curtain so that policymakers, researchers, employers, and consumers can better understand health care prices and take action to rein in rising prices. Moving towards achieving full transparency of health care prices is a critical step towards driving value in the U.S. health care system and ensuring our nation’s families receive affordable, high-quality health care.
- This legislation enacts 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, and is estimated to save the highest-need chemotherapy patients more than \$1,000 on cost sharing a year^{iv}
- This legislation advances billing transparency reforms so off-campus hospital outpatient departments are required to use a separate identifier when billing to Medicare to ensure large hospital systems do not overcharge for the care they deliver in outpatient settings.

We urge the House to advance the Lower Costs, More Transparency Act without delay. This legislation is an important step towards reducing inflated spending throughout the system and making health care

more affordable and value-driven for consumers. We 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,

ACA Consumer Advocacy
American Academy of Family Physicians
American Benefits Council
American Muslim Health Professionals
Colorado Consumer Health Initiative
Community Catalyst
Committee to Protect Healthcare
Consumers for Quality Care
The ERISA Industry Committee (ERIC)
Families USA
Health Care Voices
Hydrocephalus Association
Kentucky Equal Justice Center
Moms Rising
Pennsylvania Health Access Network
Third Way
Virginia Organizing

ⁱ 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/preventing-5-anticompetitive-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.

ⁱⁱ Gaynor, M. “Examining the Impact of Health Care Consolidation” Statement Before the Committee on Energy and Commerce, Oversight and Investigations Subcommittee, U.S. House of Representatives. 2018.
https://www.researchgate.net/profile/MartinGaynor/publication/323228757_Examining_the_Impact_of_Health_Care_Consolidation_Statement_before_the_Committee_on_Energy_and_Commerce_Oversight_and_Investigations_Subcommittee_US_House_of_Representatives/links/5a874b89a6fdc6b1a3ac6e9/Examining-the-Impact-of-Health-Care-Consolidation-Statement-before-the-Com

ⁱⁱⁱ Daniel Arnold, Christopher M. Whaley, “Who Pays for Health Care Costs?” 2020,
https://www.rand.org/pubs/working_papers/WRA621-2.html; Billie Jean Miller and Steve Nyce, July 27, 2023,
<https://www.wtwco.com/en-us/insights/2023/07/the-big-paycheck-squeeze-the-impacts-of-rising-healthcare-costs>.

^{iv} 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>