PARTNERSHIP FOR EMPLOYER-SPONSORED COVERAGE

STATEMENT FOR THE RECORD BY

PARTNERSHIP FOR EMPLOYER-SPONSORED COVERAGE (P4ESC)

TO THE

ENERGY AND COMMERCE SUBCOMMITTEE ON HEALTH

"LOWERING HEALTH CARE COSTS FOR ALL AMERICANS: EXAMINING POLICIES TO INCREASE HEALTH CARE TRANSPARENCY "

June 24, 2026

Chairman Griffith, Ranking Member DeGette, and Members of the Subcommittee, thank you for the opportunity to submit this statement for the record on behalf of the Partnership for Employer-Sponsored Coverage (P4ESC) for the hearing entitled "Lowering Health Care Costs for All Americans: Examining Policies to Increase Health Care Transparency."

P4ESC appreciates the Subcommittee's continued bipartisan work to address health care affordability and to advance policies that make the health care system more transparent, competitive, and accountable. We welcome the opportunity to provide an employer-driven perspective on the transparency reforms before the Subcommittee and to underscore a core principle: transparency must provide patients and employers with usable information that allows them to make better decisions, manage costs, and hold the health care system accountable.

P4ESC is a nonpartisan advocacy alliance of employment-based organizations and trade associations representing businesses of all sizes and sectors, and the millions of Americans and their families who rely on employer-sponsored coverage every day. Employer-sponsored health insurance is the single largest source of coverage in our nation.

The success of employer-sponsored coverage depends on a market in which insurers, providers, pharmacy benefit managers, third-party administrators, and other health care intermediaries operate with transparency, accountability, and incentives aligned with affordability and patient care. Unfortunately, many employers today are trying to manage health care costs in a system that is too often opaque by design. Employers pay the bills, bear the risk, and are legally responsible for stewardship of plan assets, yet they frequently lack complete and timely access to the data required to understand what they are buying, what they are paying, and whether the

arrangements they fund are delivering value for workers and families.

***Transparency Is Foundational to Affordability***

Health care affordability remains one of the most urgent challenges facing employers, workers, and families. Employers of all sizes continue to face rising premiums, escalating hospital prices, prescription drug cost growth, higher administrative expenses, and opaque financial arrangements that make it difficult to determine where health care dollars are going. Those costs are ultimately borne by workers and families through higher premiums, higher deductibles, reduced wage growth, fewer benefit choices, and fewer resources available for business investment and job creation.

Transparency alone will not solve every affordability challenge in health care. However, it is impossible to build a functioning market without it. In every ordinary market, purchasers can compare prices, evaluate quality, understand contractual terms, and decide whether a product or service is worth the cost. Health care remains the exception. Patients often cannot determine the price of care before receiving it. Employers often cannot obtain the underlying claims, pricing, encounter, and utilization data needed to evaluate the performance of their own health plans. Policymakers and regulators often lack sufficient visibility into ownership structures, insurer practices, and intermediary compensation arrangements that affect cost, access, and competition.

That information imbalance benefits the entities that profit from opacity. It does not benefit patients. It does not benefit workers. It does not benefit employers. And it does not benefit the long-term sustainability of employer-sponsored coverage.

P4ESC therefore supports congressional efforts to strengthen transparency requirements across the health care system, provided those policies produce usable information for patients, plan sponsors, and policymakers and do not impose duplicative or unnecessary administrative burdens on employers that are already attempting to manage rising health care costs.

***Employer Access to Claims and Plan Data Must Be Central to Any Transparency Agenda***

P4ESC strongly supports policies that ensure employers have timely, complete, and usable access to the claims, encounter, pricing, utilization, and related plan data necessary to administer their health plans and fulfill their fiduciary obligations.

Although employers are the purchasers and plan sponsors, many still face barriers when seeking access to their own data. Some carriers and third-party administrators provide data only after significant delay. Others provide incomplete data, restrict fields necessary for analysis, withhold pricing or provider-identifying information, impose contractual limitations, or claim that certain

information is proprietary even when the employer is responsible for paying the claims. These practices prevent employers from evaluating network value, identifying wasteful spending, monitoring service provider performance, detecting hidden fees, assessing quality, and developing benefit designs that steer workers toward high-value care.

This dynamic is especially troubling because employers are increasingly expected to act as sophisticated fiduciaries under ERISA while the entities they contract with may control access to the very information needed to perform that role. A plan sponsor cannot effectively oversee a health plan if it cannot see the claims, prices, and financial arrangements that determine plan spending.

The financial magnitude of the problem is hard to overstate. CMS reported that private health insurance spending totaled $1.6446 trillion in 2024, equal to 31 percent of national health expenditures. Because national health expenditures represented 18.0 percent of GDP in 2024, private health insurance spending alone accounted for approximately 5.6 percent of GDP. Without access to complete, timely, and usable claims and pricing data, employers and other private purchasers are effectively being asked to write a blank check for a major share of the nation's health care spending, without the basic tools necessary to verify the accuracy of claims, evaluate prices, or determine whether plan dollars are being spent appropriately.

P4ESC supports strengthening the *Consolidated Appropriations Act, 2021* "no gag clause" framework to make clear that group health plans and plan sponsors are entitled to their own data in a timely, complete, standardized, and usable format. Transparency policy should not merely prohibit contract language that restricts access to data; it should create an enforceable right for plan sponsors to obtain the information necessary to manage the dollars they already fund.

For that reason, P4ESC appreciates the Subcommittee's consideration of policies reflected in Section 7 of H.R. 5582, the *Patients Deserve Price Tags Act* and H.R. 9117, the *Clear Healthcare Expense Cost Knowledge Act of 2026*, particularly provisions that would improve employer access to group health plan data. P4ESC also strongly supports making these requirements meaningful and enforceable by applying civil monetary penalties to the service providers responsible for producing and sharing the data. Together, these reforms would help correct a longstanding market imbalance that has allowed carriers, TPAs, and other intermediaries to control information that belongs in the hands of the employers funding the plan.

***Price Transparency Should Be Standardized, Enforceable, and Actionable***

P4ESC supports efforts to codify and strengthen federal hospital and health plan price transparency requirements. The Hospital Price Transparency and Transparency in Coverage rules

created an important foundation, but additional work is needed to improve compliance, standardization, data quality, and usability.

Machine-readable files and public price disclosures are valuable only if the data are accurate, complete, standardized, and capable of being analyzed. Employers and other purchasers need real prices. Not estimates that obscure the underlying negotiated rate, formulas that cannot be compared, or incomplete files that require extensive reconstruction before they can be used. Patients need understandable, patient-facing cost information that reflects their actual coverage and financial responsibility. Policymakers need reliable data to identify market failures, monitor consolidation, and evaluate whether prices are tied to quality or simply to market power.

P4ESC supports the Subcommittee's work to build on the Lower Costs, More Transparency Act and related bipartisan efforts to codify core transparency requirements in statute. Regulatory requirements are important, but durable statutory standards are necessary to provide certainty for employers, patients, providers, insurers, and technology vendors. Employers need a stable transparency framework that allows them to make long-term benefit decisions, invest in data analytics, and design purchasing strategies around reliable information.

P4ESC supports the Subcommittee's work to also continue expanding transparency beyond hospitals to include other sites of care and entities that materially affect employer health spending, including ambulatory surgical centers, imaging centers, laboratories, and prescription drug arrangements. **Additionally, P4ESC encourages the Subcommittee to consider expanding transparency requirements to out-patient dialysis services**. Health care dollars move through a complex chain of providers, insurers, PBMs, TPAs, brokers, consultants, and other intermediaries. Transparency that stops at one point in the chain will not give employers the visibility they need to manage total cost of care.

***Require Meaningful Price Transparency for Outpatient Dialysis Facilities***

Congress should also consider applying the same basic transparency principle reflected in the hospital "prices on the wall" proposal to outpatient dialysis facilities. If hospitals are expected to make shoppable health care prices visible to patients and purchasers, the same standard should apply to outpatient dialysis providers, particularly given the extraordinary prices employer-sponsored plans are often required to pay for dialysis services.

Dialysis is a lifesaving treatment, but it is also one of the clearest examples of why health care transparency is necessary. Employers frequently reimburse dialysis providers at rates many times higher than Medicare, and those costs can have an outsized impact on workers, families, and especially small and mid-sized employers that sponsor self-funded health plans. A single dialysis patient can generate hundreds of thousands of dollars in annual claims, yet employers, patients,

and plan service providers often lack clear, accessible, and comparable information about the price of dialysis services before care is furnished.

For that reason, Congress should require outpatient dialysis facilities to publicly post, in a clear and conspicuous location within the facility, the cash price and any applicable discounted cash price for commonly furnished dialysis services, including in-center hemodialysis and related items and services customarily furnished as part of dialysis care. Where no discounted cash price is available, facilities should be required to post the median cash price charged to self-pay patients. Prices should be expressed as a dollar amount and presented in plain language so patients, employers, and plan sponsors can understand the cost of care.

This requirement would not limit access to dialysis or dictate benefit design. Rather, it would provide basic visibility into a market where prices are often opaque, highly variable, and disconnected from ordinary market forces. Requiring outpatient dialysis companies to disclose prices at the point of care would support Congress's broader goals of improving transparency, promoting competition, and helping employers preserve affordable, high-quality coverage for workers and families.

***Transparency Requirements Should Not Become New Burdens on Employer Plan Sponsors***

As Congress strengthens transparency requirements, P4ESC urges the Subcommittee to ensure that new obligations are targeted appropriately at the entities that control the relevant information. Employers should not be penalized for failing to disclose or produce data that is held, controlled, or withheld by carriers, TPAs, PBMs, providers, or other vendors.

For example, P4ESC has concerns with requirements under Sec. 6 of H.R. 5582, the *Patients Deserve Price Tags Act.* Section 6 paragraph (a)(3) creates a new requirement under subparagraph (iii)(VI) that would create a new financial obligation for employer plan sponsors by requiring a plan to hold a participant harmless for any amount above the patient responsibility generated by a transparency self-service tool. While P4ESC strongly supports giving patients clear, timely, and accurate cost information before they receive care, the current transparency infrastructure is not yet reliable enough to support this type of financial guarantee.

Congress should also preserve ERISA's national uniformity for employer-sponsored coverage. Multistate employers depend on a consistent federal framework to offer equitable benefits to employees regardless of where they live. A growing patchwork of state and local health benefit mandates, reporting obligations, and disclosure requirements increases administrative complexity and cost. Transparency reforms should strengthen a uniform national standard rather than contribute to fragmented regulation that makes it harder for employers to sponsor coverage.

***Conclusion***

P4ESC commends Chairman Griffith, Ranking Member DeGette, Chairman Guthrie, Ranking Member Pallone, and Members of the Subcommittee for examining policies to increase health care transparency and lower costs for all Americans.

Employer-sponsored coverage remains the foundation of the American health care system. But its continued strength depends on whether employers have the tools necessary to manage the health care dollars they already fund. That means timely and complete access to claims and plan data. It means accurate and enforceable price transparency. It means visibility into insurer, provider, PBM, broker, and intermediary financial arrangements. It means transparency into prior authorization, claims denials, ownership structures, and market consolidation. And it means preserving a uniform federal framework that allows employers to provide affordable coverage across states.

Transparency should not be treated as an end in itself. It should be judged by whether it gives patients and employers usable information, strengthens competition, supports fiduciary oversight, reduces waste, and makes health care more affordable for workers and families.

P4ESC respectfully urges the Subcommittee to advance bipartisan transparency reforms that strengthen employer-sponsored coverage, empower plan sponsors with access to their own data, and ensure that health care markets work for the employers, workers, and families who fund them. We look forward to working with the Subcommittee and Members of Congress on both sides of the aisle to advance policies that improve affordability, accountability, and value in the employer-sponsored health care system.

If you or your staff would like to meet with members of P4ESC, please contact P4ESC's Executive Director, Taylor Hittle.