

December 8, 2023

The Honorable Mike Johnson  
U.S. House of Representatives  
Speaker of the House  
Washington, DC 20515

The Honorable Hakeem Jeffries  
U.S. House of Representatives  
Democratic Leader  
Washington, DC 20515

Dear Speaker Johnson and Democratic Leader Jeffries,

The **Alliance to Fight for Health Care** encourages a strong bipartisan vote on H.R. 5378, the *Lower Costs, More Transparency Act*, specifically its provisions to expand site-neutral payment reform and to ensure fair billing practices for care provided by off-campus hospital outpatient departments (HOPDs). These policies serve as an important first step toward lowering health care costs for workers, employers, and the federal government.

The **Alliance to Fight for Health Care** is a diverse coalition comprised of businesses, patient advocates, employer organizations, unions, health care companies, consumer groups, and other stakeholders that support employer-provided health coverage. Together, we are working to ensure that employer-provided coverage remains an available and affordable option for working Americans and their families. The Alliance is dedicated to pursuing policies that increase competition and transparency to bring meaningful change — and cost savings — to our health care system and patients everywhere.

Employers, unions, patient advocates and other Alliance members want Congress to address policies that are driving up costs for patients. A recent American Cancer Society Cancer Action Network [study](#) found that certain cancer treatment services provided in HOPDs were **reimbursed at a rate that was three times higher** than the same services provided in a physician office setting, while some services were reimbursed at a **rate of more than five to six times** higher when provided in HOPDs. The study estimated a hypothetical patient receiving breast cancer treatments over the course of a year would have experienced a **\$1,500 reduction in out-of-pocket costs** over the course of a year if site-neutral payment had been implemented and that **Medicare Part B spending would have been \$7,750 less**.

In addition, a new [study](#) released by the Leukemia & Lymphoma Society (LLS) found that certain treatment services across seven disease groups were **reimbursed at a rate that was 1.5 to four times higher** when provided in a HOPD setting compared with a physician office setting. As a result, the study found a **Medicare patient with multiple myeloma could save an average of \$303.48 in out-of-pocket costs** annually if site-neutral payments were expanded, while a **patient with multiple myeloma could save \$665.10 on average annually**.

That is why the Alliance supports proposals included in the *Lower Costs, More Transparency Act* that aim to:

- **Protect patients from paying hospital prices for doctors' office visits;** and
- **Ensure fair billing practices for care provided outside of hospitals.**

**Policy: Protect patients from paying hospital prices for doctors' office visits**

The Alliance supports lowering the cost of health care services through policy proposals such as site-neutral payment reform. Current Medicare and private health insurance payment policies pay more for certain services provided in off-campus HOPDs. According to the Medicare Payment Advisory Commission (MedPAC), this disparity is incentivizing health care consolidation and higher health care costs. It also makes it harder for smaller, independent physician practices to compete. As shown in an American Medical Association survey, fewer than half of physicians now work in physician-owned practices, a [trend](#) that has sharply risen since 2012.

We strongly support Section 203 of the *Lower Costs, More Transparency Act*, which aligns Medicare payments for physician-administered drugs in off-campus HOPDs and freestanding physician offices, and we urge the full House to pass this common-sense proposal. As noted above, this policy serves as an important first step toward protecting patients from paying hospital-level prices for care provided outside of the hospital. This policy also lessens financial incentives driving consolidation among health care providers.

We urge Congress to build on this progress and consider additional site-neutral payment reforms. MedPAC, in its June 2022 report, estimated expanding site-neutral payment policies in Medicare could generate \$6.6 billion in annual savings for Medicare and taxpayers and lower cost-sharing for Medicare beneficiaries by \$1.7 billion. These policies can all be designed to protect vulnerable rural or safety-net hospitals while protecting patients from mounting costs and the other ramifications of consolidation. There is significant support among voters for site-neutral payment reform. A [Morning Consult poll](#) found 86% of insured adults, across political parties, believe health care costs should remain the same regardless of where the service is received.

### ***Policy: Ensure fair billing practices for care provided outside of hospitals***

The Alliance also supports Section 204 of the *Lower Costs, More Transparency Act*, which requires off-campus HOPDs of a Medicare provider to obtain and use a unique national provider identifier (NPI) on billings for claims for services.

This layer of transparency is important because current Medicare and private health insurance payment policies make it difficult to determine whether a service was provided at a hospital or in an outpatient setting like a doctor's office, where care may be cheaper. Hospitals that own outpatient facilities often use the main hospital's NPI and address on all claim forms – even when care is provided outside the hospital at a hospital-owned doctor's office or facility. This makes it look like the care was provided within the hospital's walls even if the care was provided at an off-campus HOPD miles away from the main hospital.

By requiring off-campus HOPDs of Medicare providers to obtain and use a unique NPI, the bill will ensure patients and payers have the data necessary to dispute erroneous fees, unfair add-on costs, hospital upcharges and other junk fees.

The *Lower Costs, More Transparency Act* demonstrates the House's commitment to lowering health care costs for workers, employers, and the federal government. We also ask that the House consider advancing other Alliance-backed proposals that aim to improve access to care to *all* Americans, including the Ways and Means Committee-passed *Chronic Disease Flexible Coverage Act*, H.R. 3800, which increases flexibility for plans and employers to offer more high-value care pre-deductible. The Alliance also strongly supports H.R. 1843, which makes permanent policies enabling employers and plans to offer telehealth services pre-deductible, which was reported out of the Ways and Means Committee on a bipartisan basis earlier this year.

You can find a longer list of our recommended policies – including the barriers they aim to address – on our website at [www.fightforhealthcare.com](http://www.fightforhealthcare.com).

We thank the Committees and House leadership again for their work to advance policies to lower health care costs and foster competition in health care. We look forward to working together to advance public policy that makes health care more affordable, supports continued innovation, improves job-based coverage, and advances the health care system for all patients.

Respectfully,

**The Alliance to Fight for Health Care**