

For Immediate Release
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In Case You Missed It!

US Oncology Network's National Policy Board Chair joins HHS Secretaries Azar & Sebelius in call for action on site-neutral payments

In an April 27 *STAT News* [Letter to the editor](#), Dr. Mark T. Fleming, chair of The US Oncology Network's National Policy Board, "wholeheartedly agrees with" and thanks "former HHS secretaries Alex Azar and Kathleen Sebelius for highlighting the need to standardize payment rates across sites of services" and joins in their call for Congress to take "immediate action" to expand site-neutral payments.

"Regardless of party, policymakers can agree that giving patients the care they need close to home — at an affordable price — is critical," Fleming writes.

Azar and Sebelius wrote in an April 18 *STAT News* [op-ed](#), "Even though we served under presidents for different parties, we both recommended that Congress adopt policies advancing site-neutral payments to save patients and taxpayers money. People should pay for the care they receive, not for the sign on the door."

"Costs for chemotherapy, mammograms, colonoscopies, and other drugs are significantly higher in hospital settings than in doctors' offices," Fleming notes. "These payment differentials between hospital outpatient departments (HOPDs) and independent community practices are driving up costs and limiting patient access. Discrepancies in reimbursement rates have [driven large hospitals](#) to acquire physician practices, inflating costs for Medicare, private insurers, patients, and employers."

Fleming explains that "[w]hile site-neutral payment reform has always been a bipartisan issue, previous reforms didn't go far enough in transforming or resolving payment disparities. Congressional reform efforts in 2015 only applied to newly built HOPDs, which only account for [2.3% of Medicare outpatient spending](#), allowing older HOPDs to continue benefiting from a higher payment rate. It is time to fully address this problem once and for all."

He notes support for the bipartisan Lower Costs, More Transparency Act (LCMTA), which would "require site-neutral payments for drug administration services, lowering out-of-pocket costs for cancer patients and reducing incentives for consolidation."

The **Alliance to Fight for Health Care** [strongly supports](#) the provisions included in the LCMTA that lower health care costs by expanding site-neutral payment reform and ensuring fair billing practices for care provided by off-campus hospital outpatient departments (HOPDs). The LCMTA passed the House in December 2023 by a vote of 320 to 71. We urge **the Senate to quickly take up these proposals, which have broad stakeholder support representing physicians**, employers, patient advocacy groups and more, including the Alliance to Fight for Health Care, American Benefits Council, Families USA, Leukemia & Lymphoma Society, American Academy of Family Physicians,

American College of Physicians, Community Oncology Alliance, US Oncology Network, National Restaurant Association, and more.

<https://www.statnews.com/2024/04/27/letters-first-opinion-site-neutral-payments-free-med-school-tuition/>

LETTERS TO THE EDITOR

STAT readers respond to First Opinion essays on site-neutral payments

“Former HHS secretaries: Congress should adopt site-neutral payments for health care,” by Alex Azar and Kathleen G. Sebelius

As a practicing oncologist, I wholeheartedly agree with the former HHS secretaries’ call to expand site-neutral payment policy. It is a commonsense reform, independent of one’s political leanings.

Regardless of party, policymakers can agree that giving patients the care they need close to home — at an affordable price — is critical. This year, [more than 2 million Americans are projected to receive a cancer diagnosis](#) — an all-time record — so this must be a priority.

As the authors rightly point out, costs for chemotherapy, mammograms, colonoscopies, and other drugs are significantly higher in hospital settings than in doctors’ offices. These payment differentials between hospital outpatient departments (HOPDs) and independent community practices are driving up costs and limiting patient access.

Discrepancies in reimbursement rates have [driven large hospitals](#) to acquire physician practices, inflating costs for Medicare, private insurers, patients, and employers. Case in point: hospitals acquired more than 44,000 independent practices from [2019 to 2024](#). As a result, more than half of today’s physicians are now employed by a hospital or health system.

While site-neutral payment reform has always been a bipartisan issue, previous reforms didn’t go far enough in transforming or resolving payment disparities. Congressional reform efforts in 2015 only applied to newly built HOPDs, which only account for [2.3% of Medicare outpatient spending](#), allowing older HOPDs to continue benefiting from a higher payment rate. It is time to fully address this problem once and for all.

Late last year, the House of Representatives passed the Lower Costs, More Transparency Act ([H.R. 5378](#)) by a strong, bipartisan vote of 320-71. This bill would require site-neutral payments for drug administration services, lowering out-of-pocket costs for cancer patients and reducing incentives for consolidation. I thank former HHS secretaries Alex Azar and Kathleen Sebelius for highlighting the need to standardize payment rates across sites of services and join you in calling for immediate action.

— Dr. Mark T. Fleming, chair of The US Oncology Network’s National Policy Board

The **Alliance to Fight for Health Care** is a broad-based 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.



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