

September 12, 2023

The Honorable Kevin McCarthy
Speaker of the House

The Honorable Hakeem Jeffries
House Minority Leader

The Honorable Jason Smith
Chairman, Committee on Ways and Means

The Honorable Virginia Foxx
Chairwoman, House Education & Workforce Committee

The Honorable Cathy McMorris Rodgers
Chairwoman, House Energy and Commerce Committee

The Honorable Charles Schumer
Senate Majority Leader

The Honorable Mitch McConnell
Senate Republican Leader

The Honorable Richard Neal
Ranking Member, Committee on Ways and Means

The Honorable Bobby Scott
Ranking Member, House Education & Workforce Committee

The Honorable Frank Pallone
Ranking Member, House Energy and Commerce Committee

Dear: Leaders and Committee Chairs,

The **Alliance to Fight for Health Care** applauds multiple House Committees for advancing bipartisan policies to lower health care costs and improve patient care. The Lower Costs, More Transparency Act's provisions to expand site-neutral payment reform and ensure fair billing practices for care provided by off-campus hospital outpatient departments (HOPDs) serve as an important 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 bring meaningful improvement — and cost savings — to our health care system and patients everywhere.

Despite efforts, rising health care costs continue to be a top concern for both employers and employees. Health spending is increasing across all payers, and now exceeds [18%](#) of U.S. Gross Domestic Product. From 2016 to 2020, the 9.3 % per person spending [growth](#) in the employer market was driven primarily by a 16% increase in average medical prices.

Employers, unions, patient advocates and other Alliance members want Congress to, first and foremost, address policies that are driving up costs for patients. That is why the Alliance supports proposals included in the Lower Costs, More Transparency Act that aim to:

- **Ensure fair billing practices for care provided by off-campus HOPDs;** and
- **Protect patients from paying hospital prices for doctors' office visits.**

Policy: Ensure fair billing practices for care provided by off-campus HOPDs

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

This is important because current billing practices make it difficult to tell whether a service was provided at a hospital or in an outpatient setting like a doctor's office, where care may be less expensive. 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 an off-campus hospital-owned doctor's office. 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 legislation will ensure patients and payers have the data necessary to dispute erroneous fees, unjustified add-on costs, hospital upcharges and other junk fees. We applaud the committees for including this critical, bipartisan provision.

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

The Alliance also supports lowering the cost of health care services by ensuring patients are not stuck paying hospital prices for care provided in a doctor's office. 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 -- for seniors on Medicare and the federal government. It also makes it harder for smaller, independent physician practices to compete. As shown in an AMA survey, fewer than half of physicians now work in physician-owned practices, a [trend](#) that has sharply risen since 2012.

We thank the committees for including 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 commonsense 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 and for removing financial incentives driving consolidation among health care providers.

We urge the House to build on this progress and pass the Facilitating Accountability in Reimbursement (FAIR) Act (H.R. 3417), as well as 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 climbing costs and the other ramifications of consolidation. There is significant support 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.

The Lower Costs, More Transparency Act demonstrates the committees' commitment to lowering health care costs for workers, employers, and the federal government. Therefore, we ask that the committees also consider other Alliance-supported proposals that aim to improve access to care to all Americans, including advancing the Ways and Means Committee-passed Chronic Disease Flexible Coverage Act (H.R. 3800), which allows employers and health plans to offer certain chronic disease prevention pre-deductible. Additionally, the Alliance is a strong supporter of H.R. 1843, which also passed the Ways and Means Committee on a bipartisan basis and makes permanent policies enabling employers and plans to continue offering telehealth services pre-deductible. It also continues to be of the utmost importance to continue to preserve the ability of employer and multiemployer health plans to offer uniform benefits to all eligible employees across the country.

You can find a longer list of our recommended policies – including the barriers they aim to address – on our website at www.fightforhealthcare.com.

We thank the committees again for their work to advance policies to lower health care costs and foster competition in health care and 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