

For Immediate Release November 13, 2023

## In case you missed it!

## Senate Finance Committee leaders promise to pursue site-neutral payment reform

During the Senate Finance Committee's November 8 <u>markup</u> of a bipartisan health care package, **Sen. Maggie Hassan (D-NH) secured a commitment from Senate Finance Committee Chair Ron Wyden (D-OR) and Ranking Member Mike Crapo (R-ID) to work together on site-neutral payment reform** and address consolidation in health care. Sen. Hassan offered and withdrew an amendment that would end the practice of charging patients unfair hospital facility fees for care provided in off-campus outpatient settings.

"Health care costs are too high, and this is in part due to unchecked consolidation of hospitals and physician practices. Increasingly, hospitals have been buying primary care and other community-based practices. And right now, hospital-owned doctor's offices can charge higher fees than independent doctor's offices." Hassan said, adding, "As a result, some patients have found even though that they are visiting the same facility receiving the same treatments, and even seeing the same doctors as before they are being billed double overnight." She explained that her amendment – which is based on the bipartisan Site-based Invoicing and Transparency Enhancement (SITE) Act (S. 1869), which Hassan sponsored with Sen. Mike Braun (R-IN) – would close a loophole that exists in Medicare payment law that unintentionally incentivizes consolidation. Fixing this glitch will save taxpayers tens of billions of dollars over the next decade and reduce costs for patients.

In response, both Wyden and Crapo expressed their commitment to working with Hassan on this issue and will look at the evidence to determine best paths forward. "We will both be working closely with you Senator Hassan, and we have had experts telling us, people that we respect, that hospitals are charging too much .... There's credible evidence that this is an issue and leads to higher costs and you don't get better outcomes. We're going to be working with you to look at the evidence," Wyden said. Weighing in with his agreement, Crapo said, "I agree, this is one of those issues that I mentioned earlier that we need to get done. We will work with you."

The Alliance supports site-neutral payment reforms and transparency policies that aim to eliminate payment discrepancies based on the site of care. We look forward to working with Congress to expand site-neutral payments in Medicare and encourage adoption in commercial settings, which new research by University of Minnesota economist Steve Parente conducted on behalf of the Alliance estimates could result in nearly \$60 billion in savings annually in the commercial market. As polling conducted by the Alliance has shown, 72% of insured Americans believe the price of health care services should be the same no matter where that service is received.

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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