

For Immediate Release
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Four Reasons to Support Site-Neutral Payment Reform and Honest Billing

Why should you support site-neutral payment reform? Check out the December [letter](#) from the [Alliance to Fight for Health Care](#) to House Leadership in support of Sections 203 & 204 in H.R. 5378, the *Lower Costs, More Transparency Act (LCMT)*.

Below are four reasons to support site-neutral payment reform (Section 203) and honest billing (Section 204):

1) Miniscule policy change with big benefit for patients

Section 203, "Parity in Medicare Payments for Hospital Outpatient Department Services Furnished off-Campus," in the LCMT is a tiny change that would right-size provider payment for a very small set of drug administration codes. The change accounts for less than .01% of Medicare spending annually.¹

But the impact for patients is significant: site-neutral payment reform [would save](#) a hypothetical Medicare breast cancer patient \$1,500 a year for treatment and a commercial patient with multiple myeloma [would save](#) over \$650 in out-of-pocket costs annually.

2) Reduces a key driver of consolidation in health care

Section 203 addresses a Medicare payment anomaly for drug administration services provided in hospital outpatient departments (HOPDs) that is driving hospitals to purchase doctors' offices (where care is cheaper) so they can turn them into HOPDs and charge more.

Site-neutral payment policies like the small policy included in LCMT are intended to level the playing field between provider-owned practices and hospital-owned practices so market and patient needs – and not federal payment policy – will determine when consolidation makes sense.

3) Adds needed transparency into billing practices

Section 204, "Requiring a separate identification number and an attestation for each off-campus outpatient department of a provider," helps ensure patients are billed appropriately by adding needed transparency into billing practices.

Currently it is difficult and sometimes impossible to tell where a service was provided. Hospitals that own outpatient facilities will use the main hospital's National Provider Identifier (NPI) and address on

¹ According to the CBO, Sec. 203 results in an average of \$77.5 million in savings annually across ten years. Annual Medicare spending in 2021 was \$900.8 billion. Thus, the average annual impact is .0086% of Medicare spending.

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.

Honest billing policies would require each individual off-campus HOPD to have their own unique NPI, allowing patients and payers to tell exactly where the care was provided. And to reinforce that, honest billing would require the use of correct billing forms and electronic claims.

4) Broad stakeholder support for LCMT

There is broad stakeholder support for the LCMT, representing physicians, employers, patient advocacy groups and more. Below is a snapshot of groups that have shown their support for the bill.

[Alliance to Fight for Health Care](#)

[American Benefits Council](#)

[USofCare](#)

[Families USA](#)

[Alliance for Fair Health Pricing](#)

[Better Solutions for Health Care](#)

[Consumers First](#)

[Consumers for Fair Hospital Pricing & Consumers First](#)

[Leukemia & Lymphoma Society](#)

[Americans for Prosperity and other stakeholders](#)

[Americans for Prosperity and The LIBRE Initiative](#)

[U.S. PIRG](#)

[Broad stakeholder letter](#)

[Support letter from](#)

- American Academy of Family Physicians
- Families USA
- AARP
- The Leukemia & Lymphoma Society
- American Benefits Council
- Purchaser Business Group on Health
- Arnold Ventures
- Small Business Majority
- The ERISA Industry Committee

[Alliance for Site Neutral Payment Reform](#)

- American Academy of Family Physicians
- American Academy of Orthopedic Surgeons
- American Benefits Council
- American College of Physicians
- America's Health Insurance Plans
- Amgen
- Blue Cross and Blue Shield Association
- Community Oncology Alliance
- Digestive Health Physicians Association
- Infusion Providers Alliance

- Large Urology Group Practice Association (LUGPA)
- Men's Health Network
- National Brain Tumor Society
- National Restaurant Association
- The OrthoForum
- The US Oncology Network

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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