

Chairman Bob Good (R-VA)
Ranking Member Mark DeSaulnier (D-CA)
House Committee on Education and the Workforce
Subcommittee on Health, Employment, Labor, and Pensions

Dear Chairman Good and Ranking Member DeSaulnier:

As hospital prices continue their unreasonable and alarming rise year over year, we are calling upon policymakers to prioritize market-based solutions to address the affordability crisis impacting American patients and their employers. We appreciate the committee's ongoing work to increase transparency and improve affordability, and we call on Congress to take immediate action to rein in corporate hospital takeovers.

The escalating cost of healthcare services is a primary concern of businesses.¹ Since 2015, U.S. hospital prices have increased four times faster than workers' paychecks. Hospital services now represent the largest share of total healthcare spending, accounting for 44% of total spending for privately-insured Americans. When corporate hospital systems charge more for prescription drugs and treatments, healthcare costs go up. Some hospital markups prioritize bottom lines over patients' health. For example, patients can be charged either \$150 or \$950 for the same blood test, depending on the facility they choose.

As Congress works to solve America's healthcare affordability crisis, we applaud your focus on the role corporate hospital systems play in driving up healthcare costs for patients, their employers, public sector purchasers, and the government. A lack of market competition, pricing transparency, and price mark-ups have exacerbated significant market distortions and undercut the stability and sustainability of the system.

This is why we support legislative efforts that promote hospital competition through market-based solutions, enforce federal price transparency laws for hospital charges, rein in hospital price markups, and ensure honest billing practices by hospitals.

We look forward to working with you to drive the legislative proposals required to support our system's foundations, help fix areas that have become broken, and promote beneficial growth, innovation, and investment to protect the health of patients, employers, and their families across the country.

Sincerely,

Better Solutions for Healthcare

¹ "Health Insurance, Labor, and Taxes Remain Top Issues for Small Business Owners in NFIB's Every-Four Year Study." *NFIB*, 13 August 2020, <https://www.nfib.com/content/press-release/homepage/health>

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