

June 7, 2023

Honorable Maggie Hassan
United States Senate
324 Hart Senate Office Building
Washington, DC 20510

Honorable Mike Braun
United States Senate
404 Russell Senate Office Building
Washington, DC 20510

Dear Senators Hassan and Braun,

Thank you for your leadership in advancing policy solutions that meaningfully deliver on affordable health care for people. As you know, over the last three decades people have had to navigate an increasingly complex and costly health care landscape, punctuated by large industry players consolidating with one another to generate market power.¹ This dynamic has left people shouldering astronomical price increases when seeking health care services. **It is with this background that United States of Care (USofCare) issues its full endorsement for the Site-based Invoicing and Transparency Enhancement (SITE) Act, legislation that will realign market incentives with peoples' health care needs at the center - not hospital margins.**

From our unique people-centered listening and research we know that, across demographics, people are concerned about their ability to afford the care they need. In fact, USofCare's listening research reveals that **affordability is peoples' foremost concern with the health care system**, and 87% of people support eliminating out-of-pocket costs for receiving basic treatment and services for health care needs.² People feel the pinch of skyrocketing health care prices, and part of our organization's charge is to understand what the drivers of those prices are and advocate for durable, common sense policies that bring pricing into alignment with peoples' needs.

In conducting our policy work on behalf of everyday people, USofCare is concerned about the increasing body of research over the last three decades reinforcing how market trends in the hospital sector are the primary driver of increased health prices.³ Rampant consolidation and concentration of hospital systems across the country have led to market distortions that put undue financial burden on people seeking care with no meaningful improvement in quality. For example, one study showed that **when hospitals acquire doctor's offices, it leads to an**

¹ Levins, Hoag, "Hospital Consolidation Continues to Boost Costs, Narrow Access, and Impact Care Quality: A Penn LDI Virtual Seminar Unpacks the Challenging Contradictions of This Continuing Trend," University of Pennsylvania Leonard Davis Institute of Health Economics, January 19, 2023. [Link](#).

² United States of Care, *United Solutions for Care: Affordability Overview*. May 2022. [Link](#).

³ Ibid.

average price increase of 14% for the same service.⁴ As you are aware, hospitals are charging patients exorbitant amounts compared to Medicare. In 2020 alone, and due in large part to hospital market power, **employers and private insurers paid 224% more than what Medicare would have paid for the same hospital inpatient and outpatient services.**⁵ These price increases are the result of hospital market power and give license for health systems to tack on hidden “facility fees” at newly-acquired off-campus outpatient locations, making health care unaffordable for many. Tackling these hidden costs is exactly what the SITE Act will do, and it’s why USofCare is proud to endorse the legislation.

We see the SITE Act as a federal extension of the policy advocacy and success that several states have recently taken up to address hospital pricing abuses. USofCare is an instrumental partner to many state advocacy organizations pushing health care reforms that deliver affordable, dependable, and quality health coverage for people. Through our state advocacy, we see states bring innovative policy solutions to effectively address increasing prices through transparency and reigning in unfair billing practices. Congress and federal policymakers can learn from this innovation in the states. As you know, Indiana now has a law that prohibits the practice of using facility fees in a manner that is similar to the SITE Act. Connecticut passed a law in 2021 prohibiting facility fees for most services provided outside of the hospital.⁶ And last month Colorado passed a bill limiting these hidden costs for preventive services.⁷ States are tackling this issue,⁸ and with the introduction of the SITE Act, Congress is poised to scale up the impact state reforms have on people by driving change in how hospitals do business nationwide.

On behalf of everyday people who are desperate to see workable solutions that will give them certainty they can afford their care, thank you for your leadership in carrying forward the SITE Act. We stand in your corner and are eager to leverage our assets and see the SITE Act become law. Thank you for championing this important issue.

Sincerely,



Natalie Davis
CEO & Co-Founder
United States of Care

⁴ Avalere-PAI Physician Employment Trends Study, National and Regional Physician Employment Changes, 2012-2018. February 2019. [Link](#).

⁵ Whaley, Christopher et al., Report: Prices Paid to Hospitals by Private Health Plans. RAND Corporation. July 2022. [Link](#).

⁶ Connecticut Law: Chapter 368v-HealthCareInstitutions. August 2021. [Link](#).

⁷ Colorado Law: Signed, HB 23-1215. May 2023. [Link](#).

⁸ United States of Care, 2023 State Action on Facility Fees. June 2023. [Link](#).