August 31, 2026

Dr. Mehmet Oz
Administrator, Centers for Medicare & Medicaid Services
Department of Health & Human Services
Attention: CMS-1850-P , P.O. Box 8016, Baltimore, MD 21244-8016.

Submitted via regulations.gov.

RE: "Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; and Quality Reporting Programs; Including the Hospital Outpatient Quality Reporting Program and Ambulatory Surgical Center Quality Program; Request for Information on Strengthening the Standardization and Comparability of Hospital Price Transparency (HPT) Data"

Dear Administrator Oz,

United States of Care (USofCare) is pleased to submit comments in response to the Calendar Year (CY) 2027 Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center proposed rule issued by the Centers for Medicare & Medicaid Services (CMS).

USofCare is a listening-first, nonpartisan, nonprofit organization working to ensure everyone has access to quality, affordable health care regardless of who they are, where they live, or how much money they make. We listen to people, understand how they experience the health care system in their daily lives, what they need from the system and where it is failing them. We bring the perspectives we hear into policy discussions and our advocacy, translating these community-led insights into people-first policy solutions for state and federal policymakers on both sides of the aisle.

Our listening research demonstrates that cost is the driving concern about health care among people across demographic, geographic, and ideological spectrums. The United States spends considerably more on health care than peer nations despite no improvement in outcomes, saddling everyday people and families with the high cost of care. According to an April 2026 USofCare Action and Morning Consult poll, nearly 3 in 4 (71%) of respondents – and 76% of respondents with Medicare – agreed that health care costs are unaffordable for people and families. Additionally, more than one-third of Americans report skipping or delaying care due to cost. **With this in mind, USofCare focuses our comments in response to the 2027 OPPS on the following policies:**

I. Expanding the Method to Control Unnecessary Increases in the Volume of Outpatient Services Furnished in Excepted Off-Campus Provider-Based Departments
II. Request for Information on Strengthening the Standardization and Comparability of Hospital Price Transparency Data
III. Codification of Section 6225 of the Consolidated Appropriations Act, 2026 for the Requirements for Provider-Based Status

Expanding the Method to Control Unnecessary Increases in the Volume of Outpatient Services

Payment differentials between care settings is a major contributor to increased spending in Medicare – and the health care system as a whole – and drives vertical integration through hospital acquisition of physician practices. Under their respective payment systems, Medicare pays outpatient health facilities, including outpatient departments (OPDs), higher rates than physician offices for delivery of the same service. This disparity can incentivize the delivery of care in higher-cost settings in order to receive higher payment rates.

In the case of imaging without contrast services, the OPPS payment rate is on average 250% of the rate paid for the same services in physician offices, with some services reaching over 400% – shifting additional costs onto beneficiaries and the Medicare program as a whole. We share CMS's concern about the disparate increase in the volume of imaging without contrast services furnished in the OPD setting, and similarly believe that differences in payment rates between OPDs and freestanding offices for the same services are driving these volume increases and resulting in millions of dollars of increased spending.

We are particularly concerned that Medicare beneficiaries are being driven to higher cost settings of care because of financial incentives rather than clinical need, creating increased financial burdens for beneficiaries and the Medicare program. These payment differentials between sites of service increase out-of-pocket costs for Medicare beneficiaries in the form of higher cost sharing. An analysis of Medicare claims data found that beneficiary cost sharing for imaging without contrast services under OPPS in excepted off-campus provider-based departments was more than double the cost sharing in freestanding physician offices.

USofCare's listening research sheds light on the impact these increased costs have on Medicare beneficiaries and demonstrates their strong support for policies to equalize

payments across sites of service. When asked to rank the top two health care costs that have the biggest impact on them financially, over 1 in 5 Medicare beneficiaries listed copays as the most burdensome. Additionally, in one recent poll, 62% of people – and 70% of Medicare beneficiaries – expressed support for site neutral payment policies.

Equalizing the OPPS rate for imaging without contrast services with that of the PFS would save Medicare beneficiaries $70 million in reduced coinsurance costs and the Medicare program $190 million for CY 2027 alone, and lower net Part B spending by $7.2 billion over 2027-2036. This proposed policy promotes improved affordability for people and helps to bolster the Medicare Trust Fund given that it would be applied in a non-budget neutral manner.

We also appreciate CMS's continued acknowledgement that payment differences encourage consolidation in health care markets through hospital acquisition of physician practices, which increase health care prices for everyone in the process. Vertical integration in turn exacerbates imaging service volume disparities and increases Medicare spending, all without any substantive differences in quality of care. Prices are rising without improving quality in large part because of the decades-long movement toward consolidation led by corporate hospitals and health care actors.

USofCare strongly supports CMS's proposal to apply the PFS equivalent rate in a non-budget neutral manner for imaging without contrast services and accompanying services such as ultrasound, CT/CTA, and MRI/MRA provided at an off-campus provider-based department.

We are also encouraged by CMS's continued requests for information related to expanding this proposed policy to additional services under the OPPS in future rulemakings. There is evidence indicating that billing for a number of different services has shifted from the PFS to the OPPS, resulting in increases in utilization of higher-cost settings. Similarly, the Medicare Payment Advisory Committee (MedPAC) has also raised concerns about the misalignment in payment rates when it comes to charges for care across dozens of services delivered at off-site locations. **In addition to finalizing the site neutral proposal related to imaging without contrast services, we strongly urge CMS to apply site neutral payment rates in future rulemakings to additional services that can be safely performed in outpatient settings with a particular consideration of the 66 services identified by MedPAC.**

Request for Information (RFI) on Strengthening the Standardization and Comparability of Hospital Price Transparency (HPT) Data

In tandem with our work to improve health care affordability, USofCare has advocated for policy proposals to increase health care price transparency for everyday people. Our national polling indicates that, regardless of their political affiliation or background, people overwhelmingly support policies that would make health care pricing more transparent up front. In addition to their worries about being able to afford care altogether, we know that people struggle to navigate an increasingly complex health care system and this type of confusion can fuel people's mistrust in the health care system.

Despite good-faith reform efforts, the health care system **remains complex and difficult to understand for patients**. Federal efforts to promote hospital price transparency have represented an important step forward, but patients remain as baffled as ever by a health care system that is designed to confuse. More than five years after federal rules from CMS first required hospitals to post the prices of hundreds of "shoppable services" on their websites, compliance with the rules is still a problem, leaving people in the dark about the true cost of hospital care.

We appreciate CMS's interest in exploring additional regulatory opportunities to build on and improve federal Hospital Price Transparency (HPT) regulations and the solicitation of feedback through this RFI. As the agency considers and develops updates to HPT regulations, USofCare urges CMS to focus on changes that improve usability and understandability of HPT data for consumers, as well as for researchers and policymakers who leverage this data to understand market competition, dynamics, and pricing disparities and to shape policy.

Consumer-Friendly Display Requirements

We are encouraged by CMS's consideration of improvements to consumer-friendly display requirements, particularly the inclusion of and information related to facility fees and professional service charges. The variability in different hospitals' consumer-friendly displays can make it challenging to understand which costs are included as part of these displays and, as a result, compare prices across different hospitals.

One area of particular interest to USofCare is helping consumers and policymakers understand the extent to which facility fees will be charged for various shoppable services, how much they are, and whether they're included in the prices displayed. While hospitals have long charged facilities fees in inpatient settings, people are now being charged the same fees in hospital outpatient departments or even without ever stepping foot in a hospital. Professional charges and facility fees are highly variable – facility fees

can range from under $100 to thousands of dollars – which makes it even more critical that the pricing information included in consumer-facing displays is clear and understandable. People overwhelmingly support requiring hospitals and providers to disclose their facility fees upfront to patients before they are seen. A December 2023 poll from USofCare Action and Morning Consult found that 81% of voters support this policy. The same poll found that, regardless of political party, 81% of voters support requiring hospitals to report data on facility fees, including how much revenue they are collecting from facility fees.

State efforts to provide this clarity to consumers and make comparing pricing information across hospitals easier for consumers to understand can provide informative models as CMS considers future changes to consumer-friendly display formats. For example, Maine's state price transparency tool lists separate amounts paid to the healthcare setting (facility fees) and the health care provider (professional fees) for specific procedures at each facility, including bundled episodes, allowing consumers to easily compare facility fees, in addition to the total cost of the service, across facilities. This could serve as a successful model for federal requirements for facility fee disclosures.

Similarly, in order to accurately compare prices across different hospitals' consumer-friendly displays, it is important that consumers can understand whether ancillary services are included in the display, clearly delineate which specific ancillary services are included using CPT codes and plain language explanations, and be confident that the same set of ancillary services is being included across different hospitals' price displays. This approach could help consumers better understand the total cost of a procedure and compare across different hospitals before receiving care.

As CMS considers updates to rules around consumer-friendly displays, USofCare encourages CMS to improve displays' transparency, clarity, and standardization around facility fees and ancillary services, including plain language explanations of fees and services and CPT codes.

Machine Readable Files

USofCare appreciates CMS's interest in improving standardization of hospital price transparency machine readable files (MRFs). Further improvements in the usability and standardization of MRFs helps support researcher – and, subsequently, policymaker – efforts to evaluate hospital prices across markets and advance hospital pricing reforms that directly address patient out-of-pocket costs, consolidation, and alleviate strain on state employee health plan budgets, including facility fee bans and site-neutral payment

reforms. The standardization of data in MRFs, including contracting terms such as rate-tiering, can help researchers better understand the use of tiering and how it affects hospital prices. While price transparency alone won't solve the health care affordability crisis, it provides policymakers with the data needed to pursue further solutions that will save money for people, employers, and state budgets. **Given this, USofCare strongly supports efforts to continue to improve the standardization of data included in MRFs, including contracting terms such as rate-tiering. As with all standard charges, rate-tiering charges, facility fees, and professional service fees included in MFRs should be conveyed in dollars and cents, as opposed to in percentages or in algorithms.**

Price Estimator Tools

Current CMS regulations allow a hospital to be deemed compliant with HPT rules if it maintains an internet-based price estimator tool that meets certain requirements laid out in regulation. Transparency around the prices of various items and services is important, but consumers also need to understand what their out-of-pocket costs will be based on their insurance coverage and status – which is why **USofCare strongly supports the implementation of Advanced Explanation of Benefits established by the No Surprises Act (Public Law No. 116-260).**

As currently designed, price estimator tools do not provide patients with a guaranteed price for health care services in dollars and cents, and have also been found to generate incorrect prices. Additionally price estimator tools are not standardized across different hospitals and include a number of barriers that make usability difficult for consumers, including challenging file formats, inconsistent service names, missing information, and accessibility and navigation difficulties. Throughout rulemaking cycles, CMS has taken a number of important steps to improve standardization and usability of MRFs, but price estimator tools have not been subjected to the same improvement efforts. We appreciate that CMS is examining these tools and considering policy changes in this RFI. **If CMS opts to continue to allow hospitals to be deemed compliant with HPT rules by maintaining a price estimator tool, USofCare urges the agency to work to address these shortcomings associated with these tools.**

Codification of Section 6225 of the Consolidated Appropriations Act (CCA), 2026 for the Requirements for Provider-Based Status

USofCare has long supported requiring hospitals to obtain and bill under unique National Provider Identifiers (NPIs) for each off-campus outpatient department. When claims lack information on the site of care it is a significant barrier to understanding

differences in payment and utilization across different sites and whether or not variation is justifiable. Requiring off-campus facilities to obtain a unique NPI that is separate from the main hospital campus provides critical transparency in billing and improves the quality and usability of Medicare outpatient claims data. This policy will help allow researchers and policymakers to more accurately identify where services are performed, track changes in service volume across sites, including shifts toward outpatient facilities, and facilitate enforcement of site-neutral payment and facility fee limitation policies.

We also note that some states, including Colorado, have established unique NPI billing requirements for off-campus providers. Since this policy has taken effect, state regulators have noted "a dramatic shift in how billing is processed" and more usable information from hospitals and other health care providers. Given CMS's interest in understanding any potential administrative burden associated with the implementation of the CAA, 2026 provision, we note that during Colorado's consideration of their state legislation concerns were raised about the potential for administrative burden of this policy on hospitals and providers. However, it's important to note that these concerns did not materialize during implementation.

USofCare appreciates the initial steps CMS is taking to implement this provision of the CAA, 2026, and urges CMS to continue implementation of this provision in a manner that ensures meaningful data can be derived from this requirement, as well as hospital and provider accountability.

NPI Subsequent Attestation

In implementing this new unique NPI requirement, CMS proposes to require each off-campus outpatient department to submit an initial attestation within the 2-year period prior to furnishing services and subsequent attestation(s) within a period not to exceed 5 years thereafter. We understand that CMS plans to do further rulemaking on the subsequent attestation in the 2028 rulemaking cycle; however, **in the CY 2027 OPPS final rule, we urge CMS to shorten the subsequent attestation period to at least every 3 years**.

The data around mergers and acquisitions in the hospital and provide sectors demonstrate widespread and rapid consolidation and vertical integration. Since 2000, more than 1,300 mergers have occurred among roughly 5,000 hospitals nationwide. Additionally, at least 47% of physicians were consolidated with hospital systems in 2024 – up from less than 30% in 2012. Given the rapidly changing nature of these markets, **we believe that more frequent subsequent attestations are necessary to help ensure effective oversight for CMS**.

Conclusion

Thank you for the opportunity to respond to the proposed rule. If you have any questions or further comments, please reach out to Alyssa Penna, Director of Federal Policy, at apenna@usofcare.org.

Sincerely,

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United States of Care