



June 5, 2019

The Honorable Lamar Alexander  
Chairman  
U.S. Senate Committee on Health,  
Education, Labor & Pensions  
428 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Patty Murray  
Ranking Member  
U.S. Senate Committee on Health,  
Education, Labor & Pensions  
428 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Alexander and Ranking Member Murray:

The Healthcare Leadership Council (HLC) applauds your efforts to address America's rising healthcare costs. The Lower Health Care Costs Act of 2019 demonstrates your commitment to deliver better healthcare outcomes and a better healthcare experience at lower costs. We are grateful for the committee's thoughtful bipartisan approach and appreciate the opportunity to comment.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation's healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century healthcare system that makes affordable high-quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, post-acute care providers, home care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

As the committee continues to explore ways to lower healthcare costs, incentivize care that improves the health and outcomes of patients, and increase the ability for patients to access information about their care, we offer the following comments on the draft Lower Health Care Costs Act of 2019:

### **Reducing the Prices of Prescription Drugs**

As a diverse coalition of healthcare stakeholders across the U.S. healthcare system, we believe innovation is essential to increasing market competition to deliver affordable, cutting-edge drug therapies to the public. HLC believes policies that encourage competitive markets and support innovation will lower drug costs and improve access to treatment. Additionally, competition from generic drugs and biosimilars is a critical tool in lowering drug prices. Addressing barriers to and encouraging timely access of new generic drugs and biosimilars into the market will create more competition and help to lower drug prices.

## **Improving Transparency in Health Care**

HLC supports increased transparency in healthcare that helps patients, their clinicians, their family members and other key stakeholders access important information about the potential cost and quality of care. However, we ask the committee to consider the unintended consequences of the release of information that could be unclear to patients, or unhelpful in truly giving a meaningful picture of the costs associated with certain types of care. Patients and employers need actionable data that can help them become more informed and engaged healthcare consumers. Sharing irrelevant, inaccurate, or unclear information could inhibit their ability to make informed decisions and could actually have the unintentional consequence of making it harder to get a meaningful picture of cost. If Congress elects to require healthcare providers, health plans, and other healthcare stakeholders to make pricing information available to patients, HLC believes the committee should require that pricing information include accurate quality information. There is a significant risk that consumers, when only given pricing information, will make erroneous assumptions about quality based on cost – defeating our efforts to drive toward better value.

Additionally, HLC cautions against the sharing of cost information that could have a counterproductive impact on price competition. As the Federal Trade Commission noted in a 2015 blog post, “We believe it is possible to give consumers the specific kinds of information they need to make better health care choices, while avoiding broad disclosures of bids, prices, costs, and other sensitive information that may chill competition among health care providers.”<sup>1</sup> We agree that consumers should be equipped with information on cost and quality that allows informed healthcare decisions without stifling price competition.

## **Improving Public Health**

HLC fully supports the modernization of the public health data system. Enhancing the interoperability of current public health data systems can improve public health efforts, including surveillance and preparedness and response efforts for public health threats, such as infectious disease outbreaks, natural disasters, and epidemics.

## **Improving the Exchange of Health Information**

HLC applauds the committee’s efforts to make information, including claims data, in-network practitioners, and expected out-of-pocket costs available to patients through application programming interfaces (APIs). Individuals with access to their own health information are more engaged, can make more informed patient and family care decisions and can more easily share information among caregivers and providers. As we noted earlier this year in our joint report with the Bipartisan Policy Center entitled, “*Advancing Interoperability, Information Sharing, and Data Access: Improving Health and Healthcare for Americans*,” we believe that rapid adoption and implementation of Fast Healthcare Interoperability Resources (FHIR)-based APIs by providers, payers and other healthcare organizations will help to accelerate interoperability, data access and information sharing.

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<sup>1</sup> Tara Isa Koslov & Elizabeth Jex, *Price Transparency or TMI?*, FED. TRADE COMM’N (July 2, 2015, 2:31 PM), <https://www.ftc.gov/news-events/blogs/competition-matters/2015/07/price-transparency-or-tmi>.

We also want to make note of important privacy and security concerns related to using an API to provide access to third party applications of an individual's choice. The third party applications that individuals will use to access their claims data will typically not be subject to the Health Insurance Portability and Accountability Act's (HIPAA) Privacy and Security Rules. Many individuals will not fully appreciate that the protections of HIPAA do not extend to the applications they are using to obtain claims data through an API, and that the level of security offered by third party applications varies significantly.

HLC proposes that Congress and the administration work with the private sector to develop a privacy and security trust or certification framework for third party applications seeking to connect to APIs of healthcare providers and health plans. Such a program could foster innovation, while providing better assurance to individuals of the security of their health information.

HLC believes that healthcare entities must be incentivized to update technologies and fix cyber vulnerabilities and we applaud the recognition of security practices put forward in the draft legislation. We believe that proper incentives and regular guidance will help to ensure healthcare stakeholders are held accountable in adhering to current cybersecurity safeguards to protect electronic health information. As the committee explores the government's role in strengthening protections for Americans' privacy and data security, HLC supports federal efforts to better understand existing gaps in privacy and security as consumers move their information to organizations not covered by HIPAA that create, compile, store, transmit, or use identifiable health information.

Thank you for the opportunity to comment on the proposed legislation. HLC looks forward to continuing to collaborate with you on ways to reduce healthcare costs. If you have any questions, please contact Tina Grande at (202) 449-3433 or [tgrande@hlc.org](mailto:tgrande@hlc.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Mary R. Greal". The signature is fluid and cursive, written in a professional style.

Mary R. Greal  
President