

June 21, 2023

The Honorable Bob Good
Chairman
Education and the Workforce
Subcommittee on Health, Employment,
Labor, and Pensions
Washington, D.C. 20515

The Honorable Mark DeSaulnier
Ranking Member
Education and the Workforce
Subcommittee on Health, Employment,
Labor, and Pensions
Washington, D.C. 20515

Dear Chairman Good and Ranking Member DeSaulnier:

The Healthcare Leadership Council (HLC) appreciates the opportunity to provide comments in response to your hearing, "Competition and Transparency: The Pathway Forward for A Stronger Health Care Market."

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 health 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, group purchasing organizations, and information technology companies – advocate for policies that increase the quality and efficiency of healthcare by ensuring the development of new and improved lifesaving, life-enhancing medical innovations.

The Centers for Medicare and Medicaid Services (CMS) has issued transparency rules for hospitals and health plans. HLC supports bipartisan efforts to further deliver healthcare price and quality information to consumers, but we believe price transparency is a complex issue and we encourage much deliberation and further discussion to ensure consumers are receiving relevant information. HLC continues to work toward a future in which public and private sector healthcare organizations securely share information in an efficient, effective manner that utilizes standard formats and is useful and understandable to healthcare consumers.

HLC members have proven they can harness data to improve care and value in healthcare. There continues to be opportunities to work collectively toward a future of better healthcare and health by improving the accessibility and quality of health data to accelerate progress in medicines, technologies, and healthcare delivery. HLC members would like to highlight important key concepts that should be taken into consideration for any legislation addressing healthcare pricing transparency.

More specifically, HLC recommends eliminating unnecessary regulatory barriers that create a burdensome environment in our healthcare system.

- 1. Transparency of healthcare costs and payments must continue to provide information that is of practical use to consumers to allow them to make the right healthcare decisions. It is critically important that consumers be able to understand any pricing information that is made available.
- 2. Any sharing of cost or payment data with consumers should be released alongside information on quality to drive value in healthcare. There is a significant risk that consumers, when given pricing information without accompanying quality ratings, could make erroneous assumptions about quality based on cost defeating our efforts to drive toward better value. We urge Congress to take a thoughtful approach to the release of any cost data to ensure that it is presented in a way that allows consumers to make a judgment based on value rather than cost.
- 3. Lastly, HLC supports further efforts to modernize the current fraud-and-abuse legal framework in the context of new care delivery and payment models.

While CMS took an important first step to modernize the Stark laws and Anti-Kickback statute to allow for patient-centered collaborations, more work needs to be done. The regulations still leave barriers standing in the way for important healthcare sectors, including drug and device manufacturers and clinical laboratories, who are ready to work with physicians, hospitals, health plans and other stakeholders in innovative partnerships to improve value and protect and strengthen patient health. Congress can act to remove the barriers that continue to exist and open the door to these collaborations.

HLC and its members stand ready to work on healthcare price transparency policy with you and your colleagues. Please feel free to reach out to Tina Grande, Executive Vice President for Policy at the Healthcare Leadership Council at (202) 449-3433 or <a href="mailto:tgrande@hlc.org">tgrande@hlc.org</a> with any questions for additional details.

Sincerely,

Mary R. Grealy President