

Dear Member of Congress,

Congratulations on being sworn into the 119th United States Congress. This new year and term mark a fresh opportunity to deliver meaningful change for the American people by addressing a major economic burden—high and rising health care costs. From coast to coast, constituents in every state and district are struggling to afford health care. As this Congress works to shape policies to support businesses and families, lowering high hospital prices—the primary driver of rising health care costs for the privately insured—must be a top priority. **Unreasonably high health care prices pose a significant threat to Americans' economic security and require meaningful and immediate action.**

To lower health care costs, there must be a focus on the excessive prices charged to employers, patients and consumers by large, consolidated hospitals and health systems. These powerful monopolies leverage their market power to charge patients unreasonably high and arbitrary prices and stifle competition. This increases health care costs, leaves patients with fewer choices, and reduces access to needed care—all without any meaningful improvement in the quality of care.

Congress has the ability to address this issue and bring much-needed relief to the American people. Solutions like **advancing site-neutral payment reforms, banning anticompetitive contracting practices, and strengthening price and ownership transparency** can create a fairer, more competitive and transparent health care market while reducing costs for consumers, employers, and taxpayers. These reforms are not just necessary—they are rational, achievable, and have strong bipartisan support.

The Alliance for Fair Health Pricing (AFFHP) is a non-partisan coalition that represents patients, consumers, and employers. We are committed to creating a more accessible, affordable, equitable, and sustainable health care system. We do this by examining and spotlighting the primary drivers of high health care costs and advocating for commonsense solutions to lower prices.

We look forward to supporting your efforts to lower health care prices as a trusted partner and resource. Through our issue briefs, reports, data-sharing, briefings, and other efforts we will work to bring you more complete information on health care consolidation and high health care prices—and what they mean for American families and businesses.

In the following pages, you will find more information about our work, our partners, our principles, and our policy priorities for this Congress. Together, we can advance commonsense solutions that will increase transparency and enhance market competition, while making high-quality health care more affordable for hard-working Americans.

Congratulations again on your election and the start of the 119th session. We look forward to working with you.

Sincerely,

The Alliance for Fair Health Pricing

LET'S MAKE HEALTH CARE MORE AFFORDABLE BY LOWERING PRICES

Excessive and rising prices for health care services are putting a large burden on American patients, consumers, employers, and taxpayers. From depressed wages to higher premiums and out-of-pocket expenses, exorbitant pricing has profound effects on not only the economy but the economic security of many American households. Higher prices and exposure to out-of-pocket costs reduce access, leading many families to defer needed care.

The Alliance for Fair Health Pricing is a non-partisan coalition representing patients, consumers, and businesses who are working together to make high-quality health care more affordable for consumers and employers.

OUR MISSION

Our aim is to create a more accessible, affordable, equitable, and sustainable health care system for all Americans. We do this by shining a light on the primary drivers of high health care costs and laying out paths toward commonsense solutions to lower prices.

OUR GUIDING PRINCIPLES

1. Making health care more affordable for consumers, employers, and taxpayers is an economic and societal imperative.

To do this, we must address the central driver of high health care costs for the privately insured—the high prices being charged for care—by increasing choices for consumers and purchasers, and limiting anticompetitive behavior to lower prices.

2. Market failures must be directly addressed.

There is insufficient competition on price and quality in many health care markets where provider markets are highly consolidated. Dominant providers and health systems have the ability to demand high prices, and there is an imbalance in the information available to consumers. It is essential that action is taken where markets have failed to restore and increase competition and to lower prices.

3. We need more complete and transparent information on pricing.

In order for families, businesses, and policymakers to understand and fix the problem of high health care prices with commonsense solutions that work, we need more complete and transparent information on price, quality, and other aspects of our health care system.

4. We must address high health care prices in a way that directs resources where they are most needed across the health care system.

A comprehensive solution to address high health care costs must ultimately create a more accessible, equitable, and sustainable system that provides high-quality affordable care.

OUR OBJECTIVE IS TO...

- Utilize the diverse collaborative efforts among members to raise awareness about exactly why health care prices are so high.
- Promote action to protect consumers and employers from predatory health care pricing.
- Advance policies that prevent providers and hospitals from engaging in business tactics that stifle competition and lead to higher prices.

OUR POLICY AGENDA

We support a range of policy approaches aimed at lowering health care prices and improving health care competition, including:



Advancing site-neutral payment and billing transparency reforms



Addressing anticompetitive contracting practices and enhancing antitrust oversight



Increasing price and ownership transparency

OUR PARTNERS

Our coalition currently includes participating members from the following organizations:



ADVANCING A MORE COMPETITIVE, TRANSPARENT, AND AFFORDABLE HEALTH CARE SYSTEM

High health care prices are a significant threat to the economic security of American families. Hospital prices are on average [254% of Medicare](#), and translate into rapidly increasing premiums, deductibles, and out-of-pocket expenses for the privately-insured—all without any meaningful improvement in quality of care. Higher premiums can depress wages and even lead to job loss for workers as employers struggle to keep up with rising health care costs that stifle their ability to grow. Patients report delaying or foregoing necessary care because of cost, and more than 100 million Americans face medical debt.

These arbitrary and unreasonable health care prices vary wildly and are a direct result of health care consolidation as large hospital systems have been buying up smaller hospitals and physician practices, stifling competition. These powerful monopolies have the leverage to charge patients higher and higher prices. At the same time, consolidation leads to reduced access to care and less choice for patients and opaque prices limit consumers' ability to shop for care and employers' ability to make informed health care purchasing decisions.

The **Alliance for Fair Health Pricing** supports a range of meaningful policies that Congress and the Administration could advance to make health care more competitive, transparent, and affordable for patients, consumers, and employers. They include:

- **Advancing comprehensive site-neutral payment reforms.** This will help ensure patients pay the same amount for the same services regardless of where the service is performed (a hospital outpatient department, ambulatory surgical center, or physician's office). Paying more for the same service when delivered in a hospital outpatient facility rather than a community-based physicians' office—as Medicare and commercial insurers typically do—creates a financial incentive for hospitals to vertically consolidate with physicians and shift services to higher-cost hospital settings. Both the Administration and Congress could take steps to address site-based payments that can save consumers, employers, and taxpayers billions of dollars (comprehensive reforms would save the federal government [\\$157 billion over ten years](#)), and help limit further consolidation.
- **Establishing site-of-service billing transparency to provide transparency over where patients receive care by requiring unique National Provider Identifiers (NPI).** This will help address the challenge of patients being charged excessively high hospital prices for care that is actually being provided in a lower-cost setting, such as off-site clinics or outpatient departments, and save the federal government [\\$2.3 billion over ten years](#).

- **Enhancing antitrust oversight and enforcement to empower federal regulators to exert meaningful oversight over health care provider mergers and acquisitions and to address anticompetitive behavior.** This includes ensuring federal regulators have the necessary resources and legal tools to pursue robust antitrust enforcement, including an ability to conduct appropriate oversight over nonprofit hospitals' anticompetitive behavior.
- **Banning anticompetitive contracting tactics.** Dominant hospital systems use anticompetitive practices (e.g., anti-tiering, anti-steering clauses) in their contract negotiations with health care purchasers to enhance their market power and ultimately raise their prices. These practices stifle patient and employer choice, limit market competition, and increase health care prices. Banning certain anticompetitive contracting practices would save the federal government [\\$4.93 billion over ten years](#), and lower costs for patients, consumers, and employers—while helping to limit consolidation in health care markets.
- **Strengthening price transparency.** Achieving full transparency of health care prices is a critical step towards increasing competition in the U.S. health care system and ensuring our nation's families receive affordable, high-quality health care. Price transparency highlights how irrational health care prices have become, allows patients to shop for their care, and helps pull back the curtain so that consumers, employers, policymakers, and researchers have the information they need to take action to rein in pricing abuses.
- **Improving ownership transparency.** Requiring the disclosure of individuals or entities that have an ownership stake in health care providers (such as private equity firms or other corporate owners) would allow policymakers and researchers to better assess the impact of emerging forms of consolidation that often entail more complex and opaque ownership relationships. Collecting data on common owners, the types of owners dominating certain markets, and emerging forms of consolidation is an important initial step for strengthening current ownership information—which is generally incomplete and inaccessible, and limits policymakers' ability to ensure health care markets are competitive.

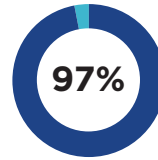
HOSPITAL CONSOLIDATION AFFECTS US ALL



Evidence shows that **hospital consolidation raises hospital prices without resulting in gains in quality**. High prices are the primary driver of high health care costs for the 180M Americans with commercial insurance. ([KFF](#))



In 2022, people with private health insurance were on average charged **254%** of what Medicare would have paid for the same services. ([RAND](#))



97% of hospital markets are considered highly concentrated. ([KFF](#))

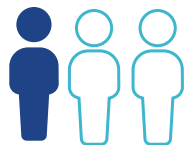
PATIENTS + CONSUMERS

HIGHER PREMIUMS

\$25,572/yr

In 2024, the **average premium for family coverage** was \$25,572 per year, an increase of 24% over the last five years. ([KFF](#))

HIGHER OUT-OF-POCKET COSTS WHEN CARE IS NEEDED



In 2024, nearly **one in three workers (32%) had a plan deductible of \$2,000 or more** (of workers with single coverage and a general deductible). ([KFF](#))

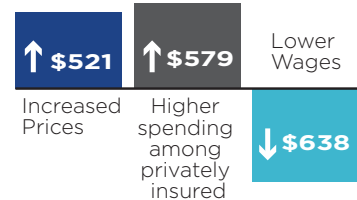
MEDICAL DEBT AND FINANCIAL STRAIN ARE KEY CONSEQUENCES OF HIGH PRICES.

100M

 Americans face medical **debt**. ([KHN/NPR](#))

LOWER WAGES ([RAND](#))

Researchers have found that hospital mergers lead to:



ACCESS



About four in 10 U.S. adults say they have **delayed or gone without medical care** in the last year due to cost. ([KFF](#))



Health care consolidation reduces patient choice and does not improve quality of care. Evidence suggests that powerful hospitals and health systems may reduce key, but unprofitable services, which increases travel distances and wait times, and reduces timely access to care for rural and low-income patients. ([NIH](#))

EMPLOYERS



Employers pay for health care premiums as a part of employee benefits. After wages, **employers spend more on health insurance than any other employee benefit** (about 8% of total compensation). ([BLS](#))



High and rising health care costs are one of the largest expenses for a business and depress businesses' profitability, ability to grow, hiring and compensation choices, and could even lead to business closures. ([KFF](#), [Small Business Majority](#), [JP Morgan](#))

HEALTH CARE WORKERS

CONSOLIDATION REDUCES WAGES FOR HEALTH CARE WORKERS AND LIMITS PHYSICIANS' AUTONOMY.



Hospital consolidation depresses wages for the health care workforce, including nurses' wages. ([INET](#))



Physicians report that consolidation reduces clinical autonomy. For example, 61% of physicians report they have moderate or no autonomy to make referrals outside of the health system where they are employed. ([NORC/PAI](#))

allianceforfairhealthpricing.org

info@allianceforfairhealthpricing.org / press@allianceforfairhealthpricing.org

Twitter: @AFFHPCoalition