From gas and groceries to cars and housing, rising prices for everyday goods and services can stress household budgets. But one of the biggest financial strains on families remains the irrationally high costs of one basic necessity: health care.

A significant driver of these high health care costs stems from the fact that patients, consumers, employers, and taxpayers are being charged what amounts to billions more as hospitals buy up physician practices and charge higher prices for the same services. Patients shouldn’t be charged more for the same care simply because of where they receive it. **We are calling on Congress to act now to advance site-neutral payment and billing transparency reforms to protect against unfair billing practices that lead to excessive health care prices.**

Medicare beneficiaries and the Medicare program often pay two to three times more for the same routine services when they are provided in a hospital outpatient department rather than in an independent doctor’s office. People with private health insurance also pay higher prices for care in hospital-owned facilities in many cases. These higher payments create incentives for hospitals to buy up physician practices and rebrand them as hospital outpatient facilities to charge higher prices. When a physician’s office is acquired by a hospital system, the prices increase by more than 14% – simply because the logo on the door changed. This all leads to more consolidated health care markets, which reduces patient choice and access to care and increases what patients, employers, and taxpayers pay for health care.

A recent study released by the Leukemia & Lymphoma Society found that many cancer patients with multiple myeloma are charged $2,029 in out-of-pocket costs for the same treatment that can be administered in an independent doctor’s office for $809. The study estimates site-neutral policies could help these patients save up to $1,220 annually.

And it saves taxpayers money too. The Congressional Budget Office estimates that site-neutral payment reforms could save Medicare nearly $140 billion over the next decade.

The time to act is now to stop these unfair billing practices. We urge you, Members of the 118th Congress, to prioritize the health and well-being of the American people.

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1. Actuarial Research Corporation, *Potential Impacts of Medicare Site Neutrality on Off-Campus Drug Administration Costs*, October 18, 2023
3. Wakely and Leukemia & Lymphoma Society, *Site Neutral Payment Reform has the Potential to Significantly Reduce Out-of-Pocket Patient Spend*, November 2023