

The War Against Hospitals Continues Unabated

April 17, 2023

This is the April update on the effort – coordinated by organizations run by three billionaires – against health systems in Washington, D.C. and across the country. If you would like to review the March 2023 report, click <u>here</u>. To see the February report, click <u>here</u>. Each report is 2-3 pages with links to original documents.

Poll: Hospital Prices Are Out of Control; Government Intervention is Needed ASAP

Arnold Ventures is out with a new poll - click <u>here</u> for an article summarizing the poll results, <u>here</u> for the survey instrument and <u>here</u> for charts. Expect to see the following data points used to support price caps, price transparency and site neutral payments -

- 80% said hospital prices are unreasonable.
- 75% think hospitals charge privately insured patients too much compared to Medicare.
- 87% support requiring hospitals to publicly disclose their prices.
- 85% support limiting outpatient fees to the same price charged by doctors in the community.
- 74% support limiting mergers and acquisitions.
- 72% support limiting the prices that hospitals can charge to two times what Medicare pays.

Existing Hospital Price Transparency Regs Aren't Enough for Congress

- While CMS is pleased with hospitals' compliance with price transparency regulations (click here) others argue for codifying the regulations, increasing the penalties and standardizing the data and format. The Health Subcommittee of the House Energy and Commerce Committee held one hearing, with a second to follow on "Lowering Unaffordable Costs: Examining Price Transparency and Competition in Health Care.
 - O Click here to watch the first hearing and read the witness testimony. Themes included support for reference-based pricing (touted by the National Academy of State Health Policy, supported by Arnold Ventures) and opposition to hospital consolidation; payments should be site neutral and price transparency requirements should be codified and penalties should be strengthened (advocated by Families USA citing work from Arnold Ventures and Committee for a Responsible Budget, among others.)
 - Stay tuned for more when the Energy & Commerce Committee's Health Subcommittee holds a <u>SECOND hearing on price transparency</u> on April 26. We're told witnesses will include CMS and the hospital trade associations and that billionaire Cynthia Fisher has been meeting with Members of the Committee to push for legislation.
- Click here for KFF Health News for more on price transparency including Patient Rights Advocate's claim that only 24.5% of hospitals are compliant. (This is the group created by Cynthia Fisher).
- We expect to see hospital price transparency legislation soon there don't seem to be any congressional concerns about insurer price transparency.

• Ohio pushes more penalties and restrictions. Click here for OH HB 49 and here for an opinion piece advocating the need for increased price transparency to facilitate employers' direct contracting with health care providers to reduce costs. The flawed Patient Rights Advocate number is included.

Risky Investment Losses Blamed for Health System Financial Trouble (Not increased labor costs and supply costs)

Using the most recent quarterly financial statements from 10 large not-for-profit health systems, researchers funded by Arnold Ventures and PatientsRightsAdvocate.org argue that risky investment decisions – and subsequent losses – may be the reason for large nonprofit health systems' financial losses. The bottom line - patients and taxpayers shouldn't have to pay more because of bad investment decisions. Click here for the article.

Indiana Hospitals Attacked for Monopolistic Pricing

Using data from the National Academy for State Health Policy, this opinion piece (click <u>here</u>) argues that Indiana's large hospital systems have 3 - 5 times the typical profit rate for not-for-profit hospitals due to monopolistic pricing and claims that price transparency has failed.

Arnold Ventures Six Figure Medicare Advantage Campaign Falls Short (for now)

Click <u>here</u> for info on the digital and TV ad campaign financed by Arnold Ventures supporting the Biden Administration's proposed payment cuts to MA. Click <u>here</u> for a poll financed by Arnold Ventures showing almost 90% of those polled support reforms to prevent overbilling of Medicare Advantage by insurance companies. Looks like they lost that battle (click <u>here</u> for the CMS Fact Sheet on the 3.32% MA increase).

The Billionaire-backed Hospital Attacks in State Legislatures Continues

As a number of state legislatures complete their work for the year, there were dozens of bills under consideration that would have negatively impacted hospitals, health systems and other providers. Most of these bills were backed by the billionaires or groups they support financially.

Click <u>here</u> for the interactive map that tracks all these bills. Here's a snapshot on key issues from March 28:





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