

Health transparency advocates pin hopes on January funding package

BY MEGAN R. WILSON | 12/22/2023 05:00 AM EST



Power to the Patients members attend a Congressional meeting on transparency and competition in healthcare at the U.S. Capitol on March 28. | Eric Kayne/AP for Power to the Patients

Health care price transparency measures have been a bipartisan bright spot in a year of struggles to advance other policies on Capitol Hill.

Lobbyists for business and consumer groups are planning a slew of calls and meetings with lawmakers and staff in the first weeks of 2024, and considering ad buys as they look to capitalize on momentum for proposals to impose stricter disclosure requirements on insurers, pharmacy benefit managers, hospitals and other health facilities.

The plan is to convince lawmakers to fold the transparency measures into a government funding package, which has a Jan. 19 deadline, alongside several expiring health program extenders.

“Our hope is that there’s some type of bicameral agreement that could catch a ride in January,” said Adam Buckalew, a lobbyist representing Better Solutions for Healthcare, a coalition that includes AHIP and the American Benefits Council. “We’re going to take a break so members and staff can enjoy time with their families, but they’ll start to hear from us again before they even get back to Washington.”

The House passed a sweeping health package earlier this month that would expand Trump-era regulations requiring hospitals and insurers to post their prices and negotiated rates for services, and make the information easily accessible. The Senate has signaled an interest in moving the proposal. And lawmakers in both chambers have advanced measures that would force pharmacy benefit managers — the intermediaries between drugmakers and insurers — to be more transparent about their business operations.

The moves are part of a yearlong effort in Congress to address rising health care costs — an issue that could become particularly potent in the 2024 election year.

“This is a big moment. We don’t have a lot of issues right now where we’ve got such a bipartisan, bicameral interest,” said Sophia Tripoli, senior director of health policy at the left-leaning Families USA, adding that the group is also focused on the Jan. 19 deadline.

Tripoli said the group’s coalitions and grassroots network sent thousands of letters this year to House and Senate offices in support of price transparency.

“We’ll continue these efforts into the new year,” she said.

That includes its work with the Consumers for Fair Hospital Pricing Coalition, a group it founded with research and advocacy group Arnold Ventures and others this fall. The coalition supports increased price transparency and changes to so-called site-neutral payment policies, which would equalize payments for services, whether they occur at hospital outpatient facilities or independent doctors’ offices.

The House-passed bill, known as the [Lower Costs More Transparency Act](#), packaged the price and PBM transparency measures with ensuring site-neutral payments for physician-administered drugs and the health program extenders. The Senate has taken a piecemeal approach.

“We’ve been trying to provide a tailwind to [the House’s] efforts while simultaneously increasing the interest in this in the Senate by ripening the environment for members who have historically shown an interest in this space,” said Buckalew, also a former Republican Senate HELP Committee staffer.

In addition to its Washington-focused lobbying, Better Solutions for Healthcare has a network of local employers who communicate with their representatives. The advocacy group has also [compiled patient stories](#) about exorbitant hospital bills and run

advertisements on the issue. Buckalew said the group is prepared to make more paid media buys, depending on how far lawmakers go on these issues in 2024.

“We’re very nimble and quick to move to help drive the agenda both in targeted states as well as in Washington,” he said.

Transparency measures targeting PBMs have advanced out of three Senate committees and Sen. [Mike Braun](#) (R-Ind.) last week [introduced a bipartisan bill](#) with Senate HELP Committee Chair Bernie Sanders (I-Vt.) and others that would bolster price transparency rules for hospitals and insurers.

The hospital industry said it supports transparency measures — and works to comply with existing rules — but worries about burdening smaller and rural hospitals with tougher requirements. It has been focused on opposing the site-neutral payment reforms, saying they would lead to cuts that jeopardize hospitals’ bottom lines in ways that would harm patient care.

“Our engagement [in January] will be similar to a typical December when you’re advocating for your priorities in a larger bill,” said Char MacDonald, executive vice president of public affairs at the Federation of American Hospitals, previewing the legislative frenzy that’s likely to occur in the opening weeks of 2024.

PBMs, meanwhile, have lobbied against new transparency provisions. The industry said the House package represents “the first time that the government is intervening in exchanges between pharmacy benefit companies and their employer clients.”

“That really will have a major impact on employer choice and flexibility, and ultimately raise costs,” said Lucia Lebens, the top lobbyist at the PBM trade group Pharmaceutical Care Management Association. “This isn’t over,” she said in the wake of the House package’s passing, vowing to peel off support for it going forward.

Advocates argue hospital and insurer price transparency allows patients and employers to shop for the best price and incentivizes providers and payers to compete — which ultimately saves Americans money.

“All of us will benefit and then we should be able to drive down these costs,” said Cynthia Fisher, the founder of PatientRightsAdvocate.org. The nonprofit has pushed enhanced price transparency rules and recently [released a report](#) showing the variation in prices for hospital services. The American Hospital Association called the report misleading, oversimplified, and said it doesn’t reflect what patients actually pay for care.

Power to the Patients, a sister organization to PatientRightsAdvocate.org, has produced several ads — including [a Super Bowl TV advertisement](#) earlier this year — touting the need for price transparency, enlisting celebrities such as rapper Fat Joe.

The House’s PBM transparency provision is expected to drum up a relatively modest \$2.2 billion over a decade, according to the Congressional Budget Office. The House’s narrow site neutral provision that would apply to physician-administered drugs in

Medicare, which is bipartisan but potentially more divisive, could save the government more than \$3.7 billion over 10 years.

“We’re going to have a very busy beginning of the year making sure that these provisions cross the finish line in a package” in January or February, said Ilyse Schuman, senior vice president of health policy for the American Benefits Council, of the transparency measures.

“That can actually be a springboard for other actions to take beyond that,” she added, referring to the site-neutral policies.

For some, what happens next year could be the pinnacle of a long campaign to address the issue.

“I’ve been looking at this for years,” said Mark Miller, executive vice president of health care at Arnold Ventures and former executive director of the Medicare Payment Advisory Commission. “The notion of transparency and site neutral payments has been Arnold Ventures’ concerns — and are among their concerns now — for years. We have developed a tremendous amount of research around this, then educating Congress — and now there seems to be some action.”

[View this article online.](#)

You received this POLITICO Pro content because your customized settings include: *Hospitals and Clinics*. You can customize all of your alert criteria on your [settings page](#).