

Chairman Bob Good (R-VA)
Ranking Member Mark DeSaulnier (D-CA)
House Committee on Education and the Workforce
Subcommittee on Health, Employment, Labor, and Pensions

Dear Chairman Good and Ranking Member DeSaulnier:

As healthcare prices continue their unsustainable rise year over year, we are calling upon policymakers to prioritize market-based solutions to address the affordability crisis impacting American workers and their employers. We appreciate the upcoming bipartisan hearings and roundtables to examine these important issues, and we call on Congress to take immediate action on these burdens facing employers and employees.

The escalating cost of healthcare services is a primary concern of businesses.¹ Both employees and their employers have been hurt by a 600% increase in hospital prices since 1990. Hospital services now represent the largest share of total healthcare spending, accounting for 44% of total spending for privately-insured Americans. Higher cost care settings can impose considerable financial burden on patients through higher out-of-pocket payments at the point of care and potentially higher health insurance premiums. It should be no surprise that the cost of employer-provided health coverage has increased by 43% in the last 10 years, with hospitals serving as the leading driver behind rising costs.

As Congress works to solve America's healthcare affordability crisis, we applaud your focus on the role that hospitals and large health systems play in driving up healthcare costs for consumers, employers, public sector purchasers, and the government. A lack of market competition, pricing transparency, and price mark-ups have exacerbated significant market distortions and undercut the stability and sustainability of the system.

We ask the committee to advance legislation that promotes and encourages market-based solutions and fair dealing among all stakeholders to address the uncontrollable rise of healthcare costs and reduce costs for all Americans. We look forward to working with you to drive the legislative proposals required to support our system's foundations, help fix areas that have become broken, and promote beneficial growth, innovation, and investment to protect the health of consumers, employers, and their families across the country.

Sincerely,

Better Solutions for Healthcare

¹ "Health Insurance, Labor, and Taxes Remain Top Issues for Small Business Owners in NFIB's Every-Four-Year Study." *NFIB*, 13 August 2020, <https://www.nfib.com/content/press-release/homepage/health-insurance-labor-and-taxes-remain-top-issues-for-small-business-owners-in-nfibs-every-four-year-study/>.