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ONE HUNDRED EIGHTEENTH CONGRESS

Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-3641
Minority (202) 225-2927

March 1, 2024

Dr. Benedic Ippolito, Ph.D., M.S.
Senior Fellow
American Enterprise Institute
1789 Massachusetts Avenue, NW
Washington, DC 20036

Dear Dr. Ippolito:

Thank you for appearing before the Subcommittee on Health on Wednesday, January 31, 2024, to testify at the hearing entitled "Health Care Spending in the United States: Unsustainable for Patients, Employers, and Taxpayers."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Friday, March 15, 2024. Your responses should be mailed to Emma Schultheis, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to Emma.Schultheis@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

Brett Guthrie
Chair
Subcommittee on Health

cc: Anna Eshoo, Ranking Member, Subcommittee on Health

Attachment

Attachment — Additional Questions for the Record

The Honorable Robert Latta

1. In 2023, over 8 Humira biosimilars launched in the US with expectations of producing significant cost savings for patients and the healthcare system, Medicare alone estimated that $2 billion could have been saved if access to and uptake for these biosimilars is robust. Today, all 8 of these combined have less than 5% update in Medicare Part D. Additionally, there are only a limited number of biosimilars covered. A 2022 ERISA Industry survey found that employers are concerned about costs and rebates and prefer all biosimilars to be included on formularies. There must be coverage of biosimilars on formularies—as they are approved, including mid-year—in preferred positions without restrictions and make them accessible to patients and providers. Products simply being listed on a formulary is not enough to ensure patient access or affordability. What do you believe is stifling competition?
    a. What can Congress do to ensure greater access to lower cost biosimilars for Medicare Part D patients?

The Honorable Earl "Buddy" Carter

1. A recent claims analysis has demonstrated common hospital outpatient department (HOPD) procedure prices were substantially higher — in some cases, five times more expensive — than when performed in an ambulatory surgery center (ASC) or office setting. HOPD prices have grown rapidly, with a 27% average increase, compared to 11% for ASCs and 2% for physician offices. What do these increased payments mean for patients, the federal government and taxpayers?

The Honorable John Joyce

1. Ever-thinning margins increase pressure for independent physicians to consolidate with hospitals. Dr. Ippolito, could a policy that advances site neutral payments, and reinvests savings into the physician fee schedule, lead to less hospital-physician consolidation in health care?
    a. Links:
        i. BHI Analysis: Hospital Outpatient Prices Far Higher, Rising Faster than Physician Sites
        ii. Avalere Analysis: CMS Site-Neutral Payments Affect Small Share of Spending

The Honorable Rick Allen

1. 179 million employees receive health insurance from their employers. Employers pay about 75 percent of employee's health care premiums as part of employee benefits and spend more on health insurance than any other employee benefit.
    a. How does this impact employers in offering employee benefits, as well as overall business operations?

The Honorable Mariannette Miller-Meeks

1. You have written recently about shortcomings in the No Surprises Act and have stated that "there would be advantages to eliminating the IDR process and replacing it with an explicit payment standard or a requirement that facility-based clinicians contract with the same insurance plans as the facility." Who do you believe should be responsible for determining the "explicit payment standard," and would there be reason to believe that requiring facility-based clinicians to contract with the same insurance plans as the facility would cause more burden for the physician?