TESTIMONY SUMMARY

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House Energy and Commerce Health Subcommittee | "Lowering Health Care Costs for All Americans: Examining Policies to Increase Health Care Transparency" | June 10, 2026

The Problem: Unaffordable, Opaque Health Care

Nearly 72 million American adults skipped needed care in the past three months due to cost. Over 100 million carry medical debt. Health care spending reached $5.3 trillion in 2024 — 17.4% of GDP — yet the U.S. has worse health outcomes than peer nations, including higher rates of preventable death, infant mortality, and maternal mortality. High prices stem from rampant industry consolidation, not quality: 90% of metro hospital markets are highly concentrated, driving prices 220% higher over 25 years. The top 15 hospital systems charge an average of 2.82 times the Medicare rate while earning $22 million+ net income per hospital annually.

Key Drivers of High Costs

Hospital Consolidation

In 42 states, just five or fewer health systems control at least half of all hospital care. Corporate hospital systems use market dominance to set prices with no meaningful competition, driving a 320% increase in family insurance premiums since 2000 and nearly $1 trillion in lost worker wages since 2012.

Medicare Advantage Abuses

Five insurers now control ~80% of the Medicare Advantage (MA) market. MA plans systematically upcode diagnoses to inflate payments, game medical loss ratio (MLR) requirements through vertical integration, and restrict care via prior authorization — earning nearly double the profit per enrollee compared to the commercial market.

Private Equity

PE firms spent over $750 billion on health care acquisitions from 2010–2019. PE-owned hospitals charge $400 more per inpatient day on average and see a 25% increase in hospital-acquired conditions, including a 27% rise in patient falls and 38% increase in infections.

Legislative Positions

SUPPORT: H.R. 5582, Patients Deserve Price Tags Act — requires all hospitals and insurers to post negotiated rates in dollars and cents, expands transparency to ASCs, imaging centers, and lab tests, and establishes strong penalties with no waiver authority.

SUPPORT: Ownership transparency legislation requiring reporting on mergers, acquisitions, PE ownership, parent company structures, and hospital debt-to-earnings ratios.

SUPPORT: MA encounter data expansion, broker compensation caps, prior authorization disclosure requirements, and the CHECK Act.

OPPOSE (as drafted): Lower Costs, More Transparency Act of 2026 discussion draft — backtracking from the 2023 House-passed version by allowing the HHS Secretary to waive requirements to publish negotiated rates in dollars and cents.

Broad Public Support

Lowering health care costs is the top voter priority, surpassing housing, jobs, crime, and immigration. Key reforms enjoy supermajority support: hospital price transparency (91%), MA encounter data reform (82%), private equity ownership transparency (83%), and MLR strengthening (80%). More than 9 in 10 voters want Congress and the President to act now.

Families USA urges the Committee to advance H.R. 5582 and the ownership transparency bill without delay — transparency is a necessary but not sufficient step. Congress must also directly confront anticompetitive industry behaviors through site-neutral payments, hospital price limits, anti-steering provisions, and nonprofit hospital accountability reforms to deliver lasting, meaningful affordability for American families.