

Hospital Fair Price in Action

PEOPLE MATTER



How National Alliance Coalitions and Strategic Partners Are Driving Progress for America's Working Families

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Executive Summary

Achieving Hospital Fair Price is Mission Critical for America's Families and Businesses

Over the past 20 years, the prices of hospital services have grown faster than any other sector of the US economy. Since 2022, the National Alliance; hospital fair price leaders at Employers' Forum of Indiana; member coalitions; employer/purchaser members; and other coalition community strategic partners and collaborators have been disrupting the status quo of opaque and unsustainable prices.

This storytelling document gives voice to coalitions, employers/purchasers, and workers to demonstrate how largely unchecked hospital prices cause harm to employers and employees. It also offers early evidence of how this weighty and complex issue can and is being addressed to drive meaningful change. When we unite for the common good and share our successes and shortcomings, everyone benefits.

Read on for a summary of the National Alliance Fair Price Initiative; the fair price story from an array of perspectives; and resources and news sources to better understand how each of us can play a role in improving the health and wellbeing of America's families and businesses.

Because this document will be periodically updated, we also invite you to submit your stories, whether from a coalition, employer/purchaser, or employee perspective. Drop us a note: info@nationalalliancehealth.org (please include "hospital fair price" in the subject line).

We look forward to hearing from you!

Shawn Gremminger
Shawn Gremminger



Shawn Gremminger,
President & CEO,
National Alliance of
Healthcare Purchaser
Coalitions

Summary of the National Alliance Hospital Fair Price Initiative

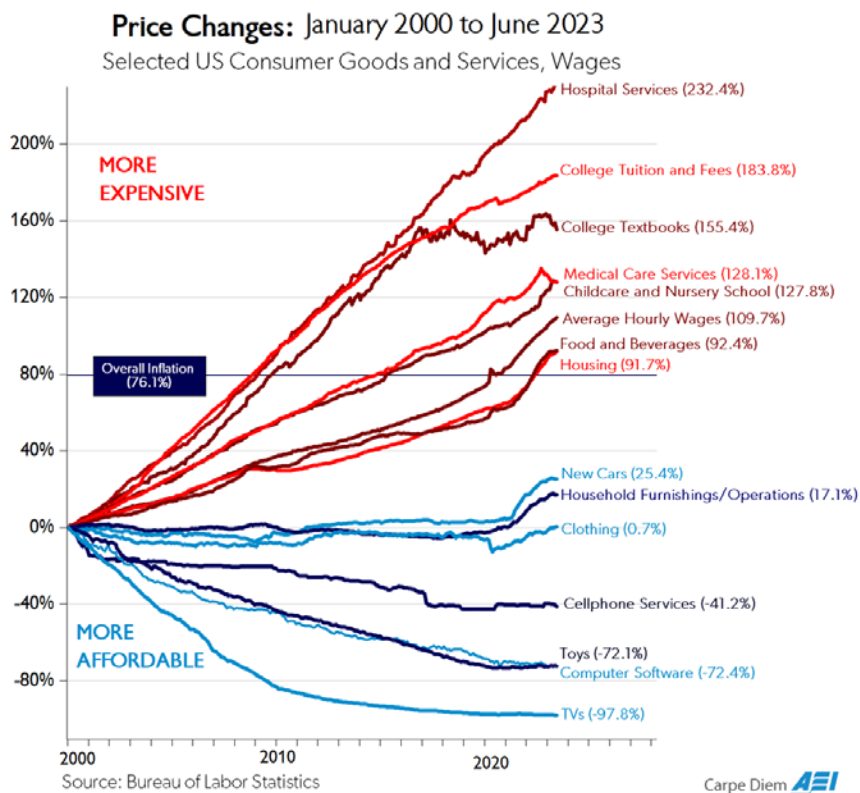
Employees being pushed into medical debt and seeing their wages eroded. Employers struggling to remain competitive in a global market. Public employers forced to cut back on needed services. Given this reality, the National Alliance is equipping coalitions and employers/purchasers with tools to operationalize new transparency tools to achieve a fair price for hospital services.

Recently available data through [Sage Transparency](#) reinforces what we have long known: Hospital prices are out of control, and we can't rely on health systems and health plans to course correct. In fact, data indicate that for most hospitals a "fair price" for patients privately insured by employers is 140%–200% of what

Medicare pays for the exact same products, procedures and services at the exact same facilities—however, some hospitals charging more than 500% of Medicare prices. A fair price should maintain a competitive market while allowing for reasonable mark up of verifiable costs.

This resource includes the real stories of coalitions and employers that are driving change and employees who are stretched thin and falling behind.

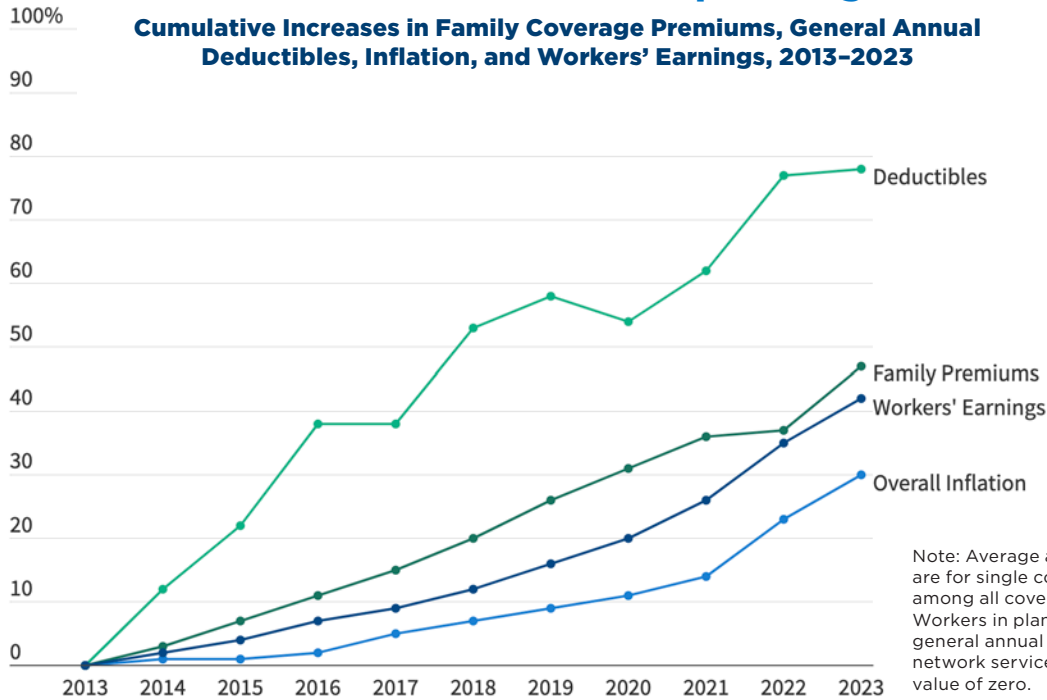
Rising hospital prices drive spending growth



These materials offer insight and guidance about the National Alliance Hospital Fair Price Initiative:

- ▶ [Beyond Hospital Transparency: Getting to Fair Price \(employer playbook\)](#)
- ▶ [Setting the Record Straight: The Urgency of Achieving Hospital Fair Price \(includes myths and facts\)](#)

Premiums and deductibles outpace wages



Source: KFF Employer Health Benefits Survey, 2018-2023; Kaiser/HRET Survey of Employer Sponsored Health Benefits, 2013-2017. Bureau of Labor Statistic, Consumer Price Index, U.S. City Average of Annual Inflation, 2013-2023; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2013-2023 • [Get the data](#) • [Download PNG](#)

KFF

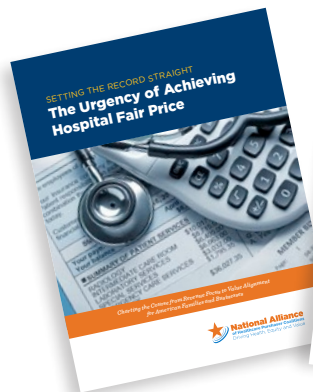
Today's Healthcare Landscape

- ▶ The US healthcare system now accounts for over 18% of GDP.
- ▶ High costs are crowding out wages and harming employer competitiveness (family coverage is currently \$23,968/year).
- ▶ Over 41% of American adults have medical debt—the number one cause of personal bankruptcy, accounting for over 61% of all filings.
- ▶ Families, particularly the ethnically and culturally diverse, are stretched thin and continue to fall behind due to healthcare costs.

The Role Hospitals Play

- ▶ Hospital prices are the leading driver of healthcare costs, making up roughly 1/3 of all costs.
- ▶ Hugely inflated costs are borne by America's businesses and passed on to employees and their families through higher insurance premiums, increased deductibles, and lower wages.
- ▶ High and rising hospital prices are largely the result of industry consolidation and the use of anti-competitive contracting prices to gain market power.
- ▶ Federal action is needed to ensure a level playing field.

Click on the image to see how the National Alliance is responding to false assertions.



Click on the image for a helpful employer/plan sponsor playbook.

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How National Alliance Coalitions and Strategic Partners Are Driving Progress for America's Working Families

The Fair Price Story from Various Perspectives

DRIVING CHANGE THROUGH POLICY AND OTHER ACTIONS

Coalition Initiatives

The Alliance (Wisconsin/Illinois)



The Alliance is supporting the formation of an

independent organization called Advancing Free Market Healthcare (AFMH) to amplify the voice of employers in health policy matters. In 2023–2024, AFMH has created a brand, a [website](#), and an organizational framework complete with mission, vision, and guiding principles, plus a legislative agenda outlining policy priorities.

The Alliance played a role in convening employers around health policy advocacy and supporting the formation of AFMH.

During the 2023–24 legislative session, AFMH was successful in stopping legislation that would have been detrimental to free market forces in healthcare. The Alliance and AFMH also supported legislation, [SB 328](#), that would have codified federal hospital price transparency regulations into state law and imposed state level penalties—a bill that was opposed by the Wisconsin Hospital Association. SB 328 had strong support from the business community, and advocacy on this issue gave employers the opportunity to educate lawmakers about the benefit of investing in actionable price transparency beyond simple compliance with federal regulations. After the bill stalled, a compromise proposed by AFMH would have used the state’s All Payer Claims Database to create public dashboards displaying all-in real prices for 300 shoppable procedures that could be used by employers to design high-value benefit plans and enable consumers to compare real prices by provider.



While the compromise was not enacted in the waning days of the legislative session, the Wisconsin Speaker of the House recommended a study committee to make recommendations on the issue for the start of next session (January 2025). Lawmakers remain interested and engaged in the issue.

The real measure of success is the level of employer engagement in health policy and their influence. At the start of the 2023 session, employer concerns about healthcare costs were largely overlooked by policymakers. Today, AFMH and its activities ensure employer voices are heard. Employers will start the next legislative session with a seat at the table on healthcare price transparency.

At the federal level, The Alliance believes there is room for vast improvement on the issue of price transparency, particularly in the following areas:

1. Hospitals are not required to post prices for 300 shoppable services, opting instead to create consumer-facing cost-estimator tools that were allowed under the final regulations. These tools are omitting charges for professional fees and ancillary care, and not having the list of 300 shoppable services makes it extremely difficult for employers and consumers to compare and use the data.

- Compliant hospitals are posting prices only for facility charges and ignoring all other charges that go along with an episode of care, making it difficult to compare prices for shoppable services between providers.
- Employers own their data and should have a clear statutory right to their claims files from their TPAs and insurers. Having access to data is the only way to understand cost drivers and opportunities for cost savings and can typically be shared in a way that protects the privacy of employees.

Employers' Forum of Indiana



Employers' Forum of Indiana led advocacy efforts which resulted in state legislators passing a new law, HEA 1259, establishing that employers, beginning July 1, 2024, own their claims data and that PBMs and TPAs must give access to employers to conduct deep audits to include 837 and 835 file transactions. This first-of-its-kind legislation is critical to help employers ascertain if overpayment, underpayments, or spread pricing is occurring. It applies to a contract that is entered into, issued, amended, or renewed after June 30, 2024. Indiana legislators are not typically comfortable

intervening between two independent willing parties who agreed upon a contract, hence the coalition pushed for including amended and renewed contracts. Indiana is the only state in the country that has passed this law. Analogous federal legislation is included in S. 3548.

The Forum gave an Indiana policy update at an all-stakeholder meeting in March of 2024. View the [detailed health summary and slides](#).

Greater Philadelphia Business Coalition on Health

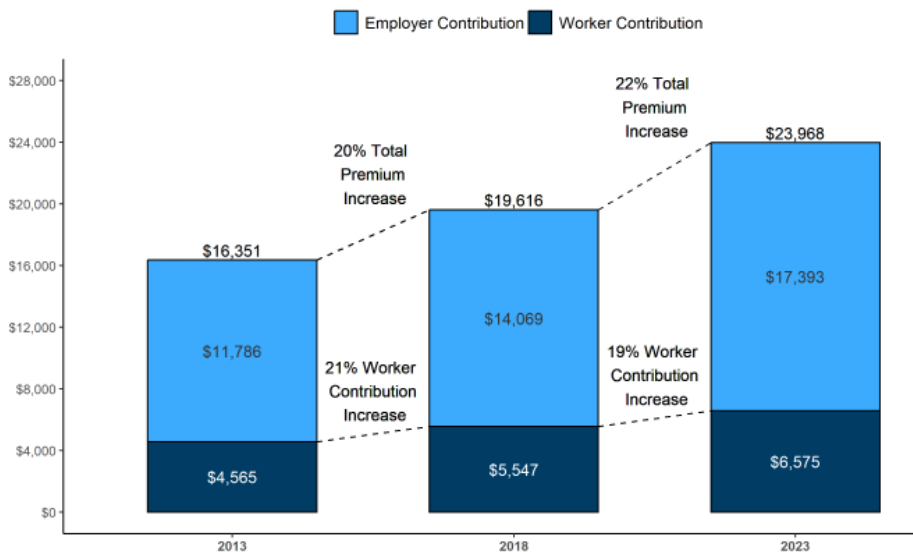


The Greater Philadelphia Business Coalition on Health produced a report in

2023 summarizing the NASHP, RAND, and Leapfrog hospital pricing data. The coalition then discussed the draft and the final report with the Transparency Interest Group, a coalition member.

While the coalition received positive feedback on the report from several members, no resulting action is yet apparent. The initiative on hospital fair pricing is a work in progress, with no expectation of a sudden surge of activity.

The average annual premium for employer-sponsored health insurance increased more than worker's wages and inflation



Source: KFF Employer Health Benefits Survey, 2018 and 2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2013

In the Greater Philadelphia market, RAND and NASHP found that hospital pricing was not significantly higher than other metro areas. A few hospitals had outrageous mark-ups or net margins above Medicare reimbursement levels, but employers seem reluctant to act on the data since the reported data were largely pre-pandemic. Many incorrectly assume hospitals took a major hit during the pandemic (view the myths and facts in this National Alliance Publication, "[Setting the Record Straight](#)").

While progress on fair pricing has been slow to date, GPBCH's experience as a Leapfrog Regional Leader focused on quality/safety issues provide some reason for hope. Employers were educated on Leapfrog data over many years and adoption was not rapid. Several employers now share the Leapfrog data with employees and incorporate quality/safety metrics into their employee portals. GPBCH has had several employers start to shift business away from low-scoring hospitals. One large employer had their health plan remove two "D" rated hospitals ([Leapfrog Hospital Safety Grade](#)) from its network.

GPBCH expects to see more uptake on the hospital pricing data in the future, but it will take continued education on both understanding and best practices for

creating change. A key leverage point will be to continue pressuring the health plans to use the data. For example, during a positive meeting with a major health plan, they identified a problematic hospital system and promised to keep the pressure on.

Houston Business Coalition on Health



HBCH influenced the passage of [TX HB711](#) prohibiting anti-competitive language in

contracts between health plans and hospitals. Additionally, HBCH created the [TRUE value-based population health services organization \(PHSO\)](#) for employers. This consumer-friendly, easy-to-use benefit plan offers high consumer satisfaction, lower costs, and improved clinical quality.

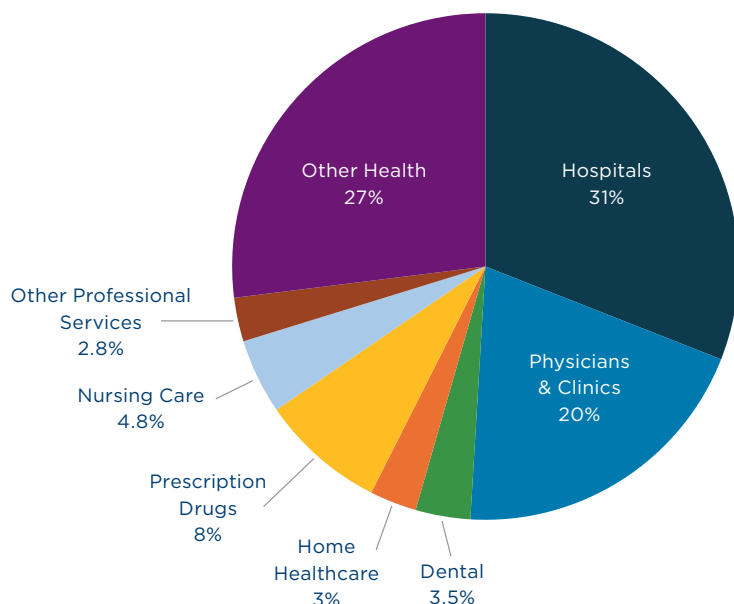
Nevada Business Group on Health/ Nevada Health Partners



The Nevada Business Group on Health (NVBGH) has a

negotiated hospital contract of 150% of Medicare. Their contracted price is the lowest in their market, where the range for the state is between 155% and 535% of

Relative Contributions to Total National Health Expenditures, 2020



Source: NIH National Library of Medicine, accessed July 26, 2024



Medicare. When the price transparency data were released, NVBGH Executive Director, Chris Syverson, began discussing it with her contracted hospitals, informing them that data would become an integral part of their contract negotiation process.

This has been a gradual rollout, as their contracts differ by year. However, there is promising news. In addition to encouraging hospitals to review their data, she also encouraged hospitals to see how they stack up against other health systems in the state.

NVBGH benchmarked its contracts against others in the market and shared the results with the Board of Directors, revealing that they successfully negotiated the lowest contract in the state. This proactive approach to education and engagement of their board and hospital stakeholders has yielded encouraging results. Syverson says, “We can now directly demonstrate the value of participating in our direct contracts. Price transparency equips us with the tools to deliver better value for health purchasers and their employees by providing us the information we need to get a fair price.”

The PEACH Group

The Public Employer Action Collaborative for Health (PEACH Group) advances and influences healthcare benefits’ quality and cost-effectiveness as the trusted resource for cities, counties, school districts, and other public employers in Minnesota. The PEACH Group has led the way in charting the course for ways to work collaboratively with insurance carriers on behalf of public sector payors.

The PEACH group initially partnered with a local nonprofit Minnesota health insurance carrier to inform them of the new price transparency tools, discuss market dynamics, and strategize how to achieve fair hospital costs for the public employers they represent. The work led to additional meetings with the Minnesota Council of Health Plans, a coalition of Minnesota’s largest nonprofit health plans. During one of those meetings, the PEACH Group leader and the National Alliance shared key analytics from NASHP and Sage with the carriers. Carriers were convinced to consider adding fair healthcare costs to their policy agenda. They plan to share these new insights with state legislators. Together, the PEACH Group and the carriers are working to improve healthcare costs on behalf of Minnesotans, including possible future legislative proposals.

Rhode Island Business Group on Health



The Rhode Island Business Group on Health (RIBGH) launched a hospital

transparency and payment reform initiative with the overarching goal of aligning healthcare payment with affordability in Rhode Island. This initiative aims to educate and engage key stakeholders, including business, community, labor, government, consumer groups, and healthcare, including hospital trustees, to drive systemic change.

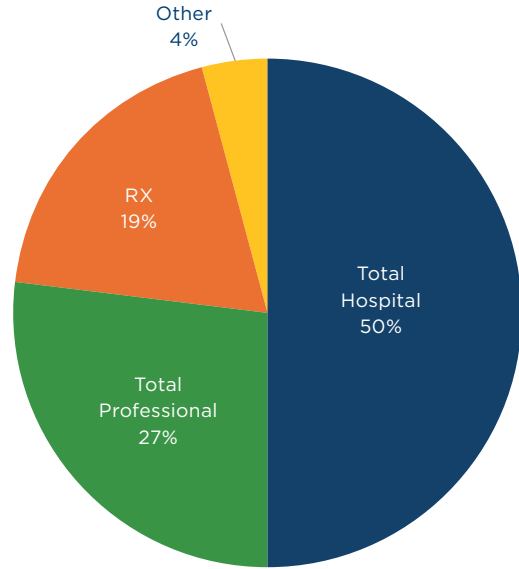
RIBGH is releasing a series of reports to create pressure and raise awareness about the need for payment reform. [The first report](#) identified the primary drivers of rising

commercial health insurance premiums: Medical claims, including prescription drugs; insurers' operating costs; and taxes, fees, and assessments levied by states. It highlighted that total hospital costs represent almost 50% of these medical claims.

The second report provided a high-level examination of hospital expenses, showing that, at the national level, hospital overhead costs in the US have increased by almost 7% per year over the last 25 years. This report raises questions about the hospital efficiency and value generated from mergers and acquisitions by health systems in the US. The report emphasizes the need to have a payment system with incentives to improve hospital efficiency in concert with improving quality and lowering costs. Hospital efficiency is a key ingredient in the production of hospital value.

The third report, due in the fall of 2024, delves deeper into hospital expenses, analyzing how much hospitals are paid and how they spend it. This report aims to highlight directional issues in hospital management that undermine their ability to generate margins and adapt to changes in the 21st century.

RI Commercial Health Insurance Medical Expenses by Category



Committed to transparency and education, RIBGH plans to release a minimum of six reports and develop comprehensive databases from sources such as the Medicare Cost Report, the Medical Expenditure Panel Survey – Insurance Component (MEPS), the National Association of Insurance Commissioners (NAIC), and



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the NAIC System for Electronic Rate and Form Filing (SERFF). These databases will be used to educate leaders in business, community, labor, and government on the urgent need for payment reform.

RIBGH will also make these databases available to members of the National Alliance and researchers, fostering collaboration and support for payment reform initiatives. By leveraging this data, RIBGH aims to develop new pathways for employers to advocate for payment reform and empower sister coalitions to create pressure for change in local markets.

In engaging stakeholders and leveraging data-driven insights, RIBGH is committed to driving meaningful reform in Rhode Island's healthcare system, ensuring that high-quality, affordable, and efficient healthcare becomes a reality for all.

St. Louis Area Business Health Coalition

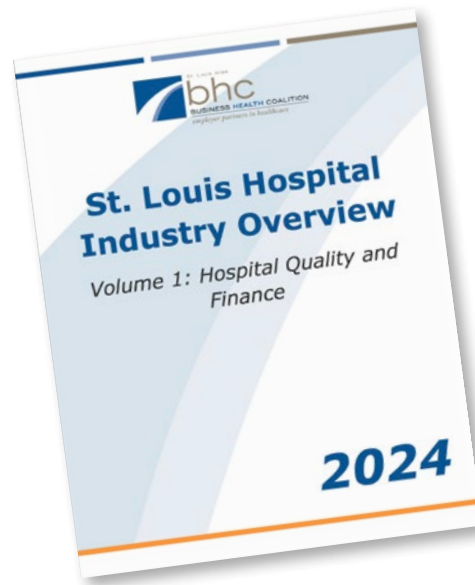


Since the 1980s, the St. Louis Area Business Health Coalition

(BHC) has publicized local hospital quality and financial performance in its annual St. Louis Hospital Industry Overview report. The report analyzes and documents hospital quality and financial trends and drives competition and improvements in care quality and affordability through public reporting. It also elevates conversations between purchasers and providers of healthcare by providing specific data as a foundation for the improvement discussion.

This year's report features relative commercial prices from RAND and commercial breakeven data from NASHP, which demonstrate the level of unnecessary markup of healthcare services for commercial payers.

By pairing RAND price data with CMS Overall Star Ratings and Leapfrog patient safety scores, BHC's report provides an overview of the value of St. Louis



[Click on the image to access the report. View local TV and newspaper coverage.](#)

area hospitals. Hospitals with high quality ratings and low RAND prices are categorized as high-value, and those with low quality ratings and high RAND prices as low-value. A second volume of this report, to be released in the fall of 2024, will feature metrics from the audited financial statements of the four major health systems in St. Louis. Since most hospitals in St. Louis operate as part of a healthcare system, analyzing system-level data provides a more holistic view of a system's financial health and profitability.

Washington Health Alliance



The Washington Health Alliance conducted analysis

and developed a statewide hospital price report that found hospitals in Washington state ranged from 150% to nearly 700% of the price of Medicare. With support from Arnold Ventures, they analyzed large volumes of self-insured data and report on cancer facilities, children's hospitals, and critical access hospitals. [This report](#), which will help employers and purchasers better understand hospital costs in their market, is a first step toward achieving a fair price for healthcare services.

CONSUMER HARM

THE IMPACT OF HIGH PRICES AND UNEVEN QUALITY IN HEALTHCARE

Unaffordable healthcare is a top concern for consumers. It's time to work together toward better value in our healthcare system.

LESS MONEY FOR HOUSING AND FOOD

Overpaying for care means less money for food, housing and other necessities of daily life.

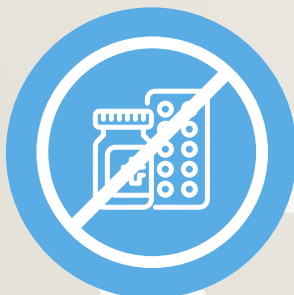


MIDDLE AND LOWER-INCOME FAMILIES HIT HARDEST

One in five middle-income people spends more than 10% of income on healthcare expenses. Lower-income families are less likely to have sufficient health insurance to assist with medical costs.

DIVERTS GOVERNMENT RESOURCES

State, local and federal governments make tough budgetary tradeoffs due to high healthcare prices, which may include lower spending on education, social programs, police and important infrastructure projects.



CONSUMERS FOREGO NEEDED CARE

Half the US population goes without needed care due to cost concerns, leading to poorer health outcomes.

CONSUMERS SUFFER MEDICAL HARM

Medical harm is the third leading cause of death in the US. An estimated nine million people suffer from medical harm each year, including an estimated 400,000 deaths, and unnecessary spending that costs tens of billions of dollars.



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Employer/Purchaser Stories

UNITE HERE HEATH

UNITE HERE HEATH (UHH), an employer-union Trust Fund, contacted Salinas Valley Health after discovering a huge discrepancy between the claims they paid and Medicare’s price for a chemotherapy drug.

UHH paid \$89,317 for 12 Eloxatin® infusions for which Medicare would’ve paid \$185. The hospital’s current pricing transparency file shows they are charging \$27,820.53 for 100 mg. of this drug that Medicare reimburses at \$14.20. After UHH reached out to the hospital’s COO, he had a consultant call after several weeks of study.

Her response? The hospital was unwilling to release the price they pay for Eloxatin® claiming it’s “proprietary and confidential” but that UHH should be assured the hospital is only charging 6%–8% above cost. Further, she said Medicare underpays and brought forth the tired payer mix argument. She mentioned they had reduced the price last summer and would be willing to direct contract for a further reduction—to a level where the price UHH would pay would be “grossly inflated instead of super grossly inflated” and UHH would have to be exclusive with them for this one cancer drug.

UHH would like to see transparency mandates include reporting the drug procurement costs (less rebates, etc.). Furthermore, the Anthem network UHH uses, like many networks, only negotiates across-the-board discounts—networks should be paying more attention to the price of drugs that lose their patents, like Eloxatin®, and demanding fairer pricing for their purchasers.

Miami-Dade County Public Schools

Employers are facing greater challenges than ever before. They are confronting greater financial and benefit design challenges while employees are also having to make tough decisions amid rapidly and unpredictably rising costs — especially when it comes to healthcare.

In addition to maintaining a trained, efficient, content workforce and ensuring equity, they are increasingly expected to provide flexible hours and remote work options and unique point solutions, while offering financially sustainable healthcare coverage that meets the needs of employees and their families.

In the 1940s, employers understood that offering healthcare coverage enabled them to attract and retain workers. It became an even greater opportunity in the

“Employers basically have no visibility into the contracts insurers cut with hospitals. We’ve handed them a credit card and said, ‘Go out and spend our money.’”

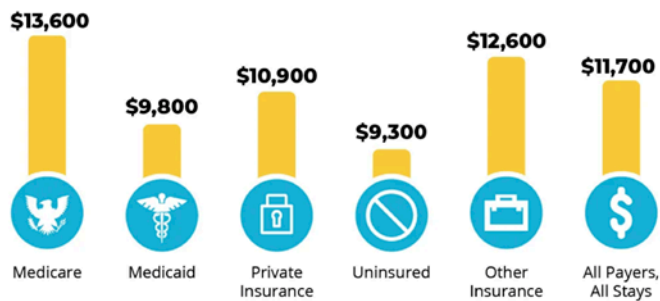
SHAWN GREMMINGER

National Alliance President and CEO

(May 21, 2024, [WSJ article](#); subscription required)

HOSPITAL STAY COSTS BY INSURANCE TYPE

According to data from the Agency for Healthcare Research and Quality, most hospital stays hover around an average of \$11,700 per stay.



Source: [Agency for Healthcare Research and Quality](#)

1950s when the federal government introduced tax benefits. Today, employers are still attuned to the value of offering healthcare coverage, but offering affordable, satisfactory coverage is becoming less attainable.

A vast component of overall healthcare expenditure is the cost of services at hospital-based and affiliated facilities. Recently released data demonstrate how out-of-control – and unjustifiable – hospital prices have become. Most important, data also demonstrate that outrageous prices do not represent a higher quality of care.

Intentionally opaque billing practices used by many hospitals have resulted in higher costs to health plans, employers, and employees. Hospitals simply do not collect data to identify utilization patterns, strategically identify solutions, and execute fair and well-informed business decisions that inform those they are meant to serve.

Most hospitals are making business decisions driven by their own financial agenda without considering the impact on those relying on them for high-quality, fair-priced care. Hospitals are an important part of the

healthcare system, and the care they provide is highly valued and appreciated. Still, it is possible to maintain operations and maintain considerable profit, while keeping the primary focus on taking care of patients and providing fair prices that show respect for and work closely with employers who are paying their bills. The fact is, 60% of the nonelderly US population is covered by employer-sponsored health insurance.

Yet, traditionally, employers have not questioned the cost of services, paying the bills without being involved in contracting discussions, believing they must accept the rates negotiated with health plans.

Miami-Dade County Public Schools, along with other public and private employers in the business coalition community nationwide, are now getting involved in demanding fair hospital prices and are better prepared to have difficult conversations with those responsible for causing unbearably high costs without improving quality.

Coalitions empower employers to ignite change by making shared expectations known and met by hospitals.

Encourage Exemplary Practices

Some hospitals are role models and can help others realize the promise of profitability, while adopting fair price, high-quality practices. For example, Cleveland-based University Hospitals launched its "Medicare Breakeven" project in August 2022 to reduce expenses, grow revenue, and develop a model to help the system bend its cost curve.

The project delivered [significant reductions](#) in fixed and indirect costs while continuing to provide high-quality patient care.

Learn more about how UH is "truly thinking differently" about how they run their business in [Becker's Hospital CFO Report](#).



Medical bills are reportedly the number-one cause of US bankruptcies, accounting for over 61% of bankruptcy filings.

Case Study: A Major Global Manufacturer of Equipment and Services

A major, global employer is leveraging price transparency data to bolster its contracting efforts. While HR and benefits professionals have collaborated with market providers for years to secure better prices for plan beneficiaries, they had to purchase critical data from multiple data sources, a process that was both costly and time-consuming.

The advent of free price transparency data from multiple credible sources has revolutionized their approach and will benefit employees and their families. They are using breakeven points and comparable market rates, previously beyond reach, to significantly enhance their negotiating stance. Just two weeks into current negotiations, they have already debunked several myths, demonstrating preparedness and expertise. Building on past negotiations that yielded substantial savings, they are setting their sights on achieving even greater results this time.

A persistent challenge has been the resistance from dominant healthcare systems, which leverage their high market share to avoid negotiations. These systems claim that alternatives are limited due to their dominance. However, the employer countered this by presenting potential network scenarios that exclude these dominant systems, showcasing viable alternatives and plan designs that could

still function effectively. This strategic move has strong backing from the executive team.

When negotiating, systems frequently say the employer is one of the lowest payers. The employer leveraged the data to rebut this by highlighting the system's high costs, challenging them to justify their rates. They are contemplating using media and community platforms to expose overcharging, ensuring transparency and accountability.

The employer has adopted a refined approach that avoids broad hospital tiering. Instead, they navigate down to the procedure level, identifying hospitals that excel in specific areas. This ensures hospitals are not unfairly penalized and that patients receive the best care for procedures. Consequently, the plan design now differentiates reimbursements based on the value provided by the providers, with a rollout planned for January 1, 2025.

Restricting the network to balance low-value hospitals with those that are high value poses access issues, as patients already face challenges in getting medical appointments scheduled. To mitigate this, they are promoting virtual primary care and aligning referral patterns to direct patients to high-quality specialists, thereby improving access and maintaining care standards.

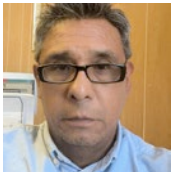
Patient Testimonials about the Burden of High Hospital Costs

Established in 2022, the California [Office of Health Care Affordability \(OHCA\)](#) recognizes that it is in the public interest that all Californians receive healthcare that is accessible, affordable, equitable, high-quality, and universal.

Dozens of union workers and officials have made the six-hour journey to Sacramento every month for the past 18 months to testify about exorbitantly high hospital prices in Monterey County. Their heartfelt and relentless commitment to making change happen is leading to significant [media attention](#) and pressure on hospitals.

The following testimonials offer a glimpse into how patients and families lives are upended when they do not have a seat at the table.

Hector Azpilcueta



I have been a leader of the local hospitality union on the Monterey Peninsula for many years, which includes some of the most expensive areas in the state. I lead contract negotiations for 1,500 of our members in 12 different

PLEASE NOTE: While these stories have been gathered by the National Alliance, we are seeking more and invite others to submit their stories to info@nationalalliancehealth.org.



View additional patient stories:

- ▶ [Medical Debt Upended their Lives. Here's what it took from Them](#)
- ▶ [Americans' Challenges with Health Care Costs](#)
- ▶ [They were Entitled to Free Care. Hospitals Hounded them to Pay.](#)
- ▶ [A Hospital Charged more than \\$700 for each Push of Medicine through her IV.](#)
- ▶ [100 Million People in America are Saddled with Health Care Debt](#)

hotels in the area and am also a trustee for a Taft-Hartley health fund.

Since Monterey County has some of the most expensive hospitals in the state, we are paying more than 20% more into our health fund to maintain the same level of benefits that we have had for a long time. And this is just for the period of 2015 to 2021. From 2021 to 2026, we face double that to almost 46%.

We negotiate contracts using what we call a “bucket of money.” Together with the employers, we decide on a total amount of money to go into the bucket and then the union distributes the money between wages, healthcare, pensions, and other benefits. Lately, most of that money has gone to pay for healthcare, specifically to high-priced hospitals. This means huge healthcare increases reduced the amount of wage raises, impacting their ability to survive economically.

While we ask employers to pay as much as possible, it is never enough. Employers also have more operating expenses due to rising healthcare costs.

Clementina Gonzalez



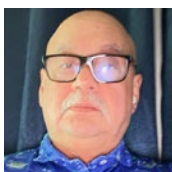
My name is Clementina Gonzalez and I made the three-hour trip here to tell you about my experience with the very expensive hospitals in Monterey County. I am a housekeeper at the Monterey Tides Hotel and member of UNITE HERE Local 483.

About 10 years ago, I went to the Community Hospital of Monterey (CHOMP) for treatment for my anemia. I was hospitalized and received transfusions and other procedures. Even with my union health insurance, I had to pay over \$10,000 that I did not have. We tried our best to pay the hospital what was due over a few months but could not do it in a timely fashion. The hospital had a collection agency pressure us to pay. My family and I were very stressed out and depressed. We cut down on food and other needs and credit rating is damaged to this day.

During this time, my daughter was supposed to start college, but she decided to stay home for a couple years to take care of me. She understood that we used savings for her college to pay CHOMP, so she made big sacrifices to help me.

In the past few months, the illness became bad again. I knew that Community Hospital of Monterey was very expensive so decided to seek treatment at Natividad Hospital in Salinas. I thought the costs would be a lot less as Natividad is the county hospital. I was wrong. It was as expensive as CHOMP. I was billed a few more thousand dollars that my husband and I are trying to pay back. Even though my insurance covered most of the bills, we are in debt again and I'm so worried.

Raúl Salazar

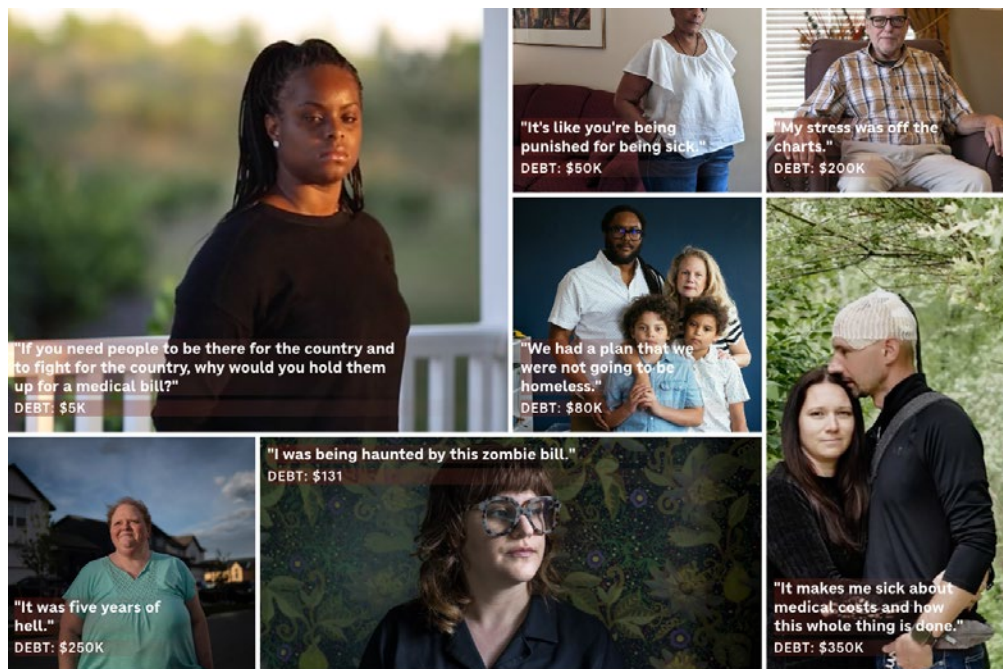


Hello everyone, my name is Raul Salazar, and I am from Salinas California.

My wife had a heart attack and was taken to the emergency department.

CHOMP performed emergency surgery and kept her for one night in the ICU and then transferred her to California Pacific Medical Center where she spent another week in the ICU.

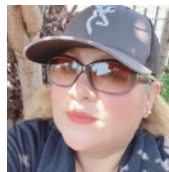
The surgery and one night stay at CHOMP cost about \$566,000. This was an emergency, so we didn't have



Click on the image to view more patient stories.

time to look for another hospital. I'm lucky I have a union insurance plan that paid almost the entire bill.

Catalina Hernandez



My name is Catalina Hernandez. I have worked at the Hyatt Regency Monterey for 18 years, but I have been a housekeeper in Monterey Peninsula for 38 years.

Four years ago, my husband wasn't feeling well, and the doctors were trying to figure out what was wrong with him by running a lot of tests.

He had surgery in 2019 at CHOMP. After the insurance paid around \$185,000, we paid more than \$20,000. It took us more than three years to pay that money, and we struggled to even buy basic things like food or car maintenance.

When my car broke, I didn't have money to either fix it or buy a new one. I had to take the bus or ask people to give me a ride to work or to get around town.

Estevan Rodriguez



My name is Estevan Rodriguez. I work at Monterey Tides and Building Healthy Communities. I have been a bartender/server and coordinator. I had an expensive bill of over \$5,000, the full cost being over \$165,000. It took me two years to pay off the \$5,000.

I had to get another job to pay the medical bill, so it didn't go into collections. Since I am a single parent, this left me with less time to see my kids. I also reduce my grocery budget. I would pay the medical bill first before buying groceries to feed my family or do fun things with my kids.

The hospital or doctors did not give me a heads up on what the cost would be. If they had, I would have

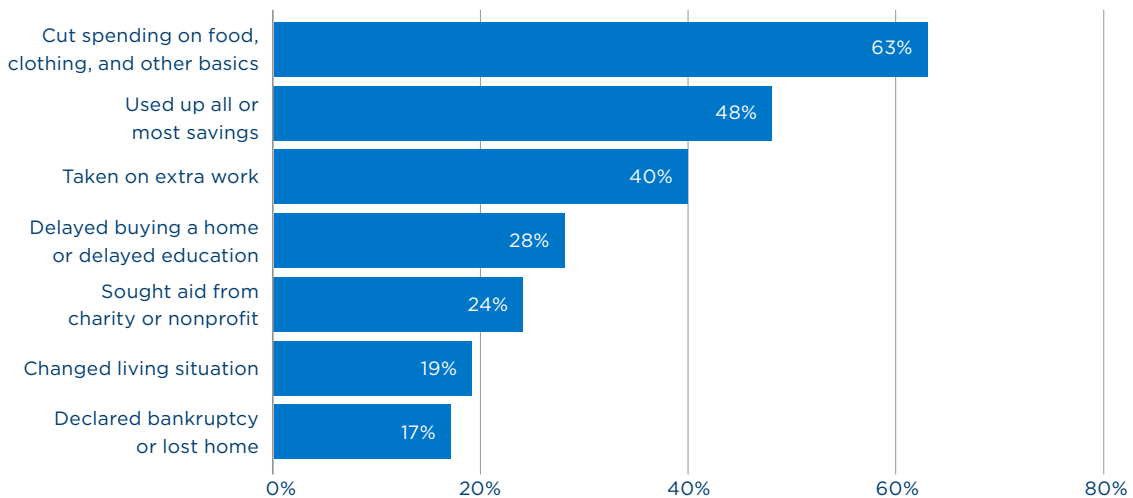
declined many medications and/or treatments just to keep the cost low, risking my health and wellbeing.

A few things I would like for this commission to consider is the crucial need for accessible and affordable healthcare for all community members. Advocate for policies and initiatives that prioritize healthcare as a fundamental right, ensuring fair and equitable access to quality medical services, without financial barriers or strain.

I would also like you to stress the importance of employers prioritizing worker health and wellbeing as much as they prioritize profits and shareholder satisfaction. This would ensure that healthcare becomes a priority, leading to more accessible and fair options for everyone in the community.

What people sacrificed to pay medical debt

Share of indebted adults who have done the following because of healthcare debt



Source: [KFF Health Care Debt Survey](#) of 2,375 U.S. adults, including 1,674 with current or past debt from medical or dental bills, conducted Feb. 25 through March 20. The margin of sampling error for the overall sample is 3 percentage points.

Credit: Daniel Wood/NPR and Noam N. Levey/KHN.

There is an unsubtle effort by billionaires in multiple industries to convince Congress and other policymakers to crack down on the commanding sway of the hospital industry.

For examples of this work, click on the image to the right and these links:

- ▶ PatientRightsAdvocate.Org
- ▶ [Better Solutions for Healthcare](#)

STAT+

With Fat Joe concerts and Super Bowl ads, a cadre of billionaires is mounting an unorthodox campaign against hospitals

PatientRightsAdvocate.org

PatientRightsAdvocate.org is a nonprofit fighting for systemwide healthcare price transparency. The organization is empowering patients and consumers with actual upfront prices, greatly reducing healthcare costs through a functional, competitive market.



The semi-annual Hospital Price Transparency Compliance Report finds that only 34.5% of hospitals reviewed are fully compliance with the federal Price Transparency Rule. Read the [full report](#).

“When we know the prices before we get care it’s truly transformative. Prices protect patients.”


Be Inspired!

Cynthia Fisher, *Founder and Chairman*
PatientRightsAdvocate.org

- ▶ 32BJ SEIU saves [\\$100 million](#) in healthcare costs with the help of price transparency
- ▶ Montana saves [\\$121 million](#) annually by contracting directly with hospitals
- ▶ [Green Hills Direct Family Care](#) offers affordable, accessible, attentive healthcare by removing middle players.


Price Transparency Success Stories

Learn how price transparency has helped save on the cost of healthcare.



How to Shop

Upfront prices are now your right! Learn how to take control of your healthcare and lower your costs.



Employers Reversing the Trend

Learn how to lower your company’s healthcare spend by 30-50% while improving quality.



Click on the tiles to learn more!

Better Solutions for Healthcare

Survey of Americans Shows Demand for an End to Unreasonable and Alarming Hospital Price Markups

As the U.S. House takes aim at hospital practices yet again, a 2023 poll shows nearly 80% of voters believe hospital prices are rising to unreasonable levels.

- ▶ **More than three-quarters of voters (78%) believe the prices that hospitals charge for care are rising to unreasonable levels.** Voters rank the prices charged by hospitals as the *most unreasonable among all healthcare-related costs*.
- ▶ **Voters are feeling the impact of unreasonable and alarming hospital markups.** Fully 92% agree that hospitals charging more for prescription drugs and treatments causes their personal healthcare costs to increase—even those with employer provided health insurance.
- ▶ **Most voters (60%) believe hospital provider consolidation is a bad thing.** Voters see the practice of corporate hospital systems taking over smaller practices leading to fewer choices and higher prices.

<https://bettersolutionsforhealthcare.org/press-release-new-survey-of-americans-shows-demand-for-an-end-to-unreasonable-and-alarming-hospital-price-markups/>

better solutions |
for healthcare™

“This survey shows that Americans are feeling the pain of alarming price increases and a corporate focus on bottom line over patient outcomes. The good news is that these egregious hospital practices are now squarely in Congress’ focus....”

ALEX SCHRIVER

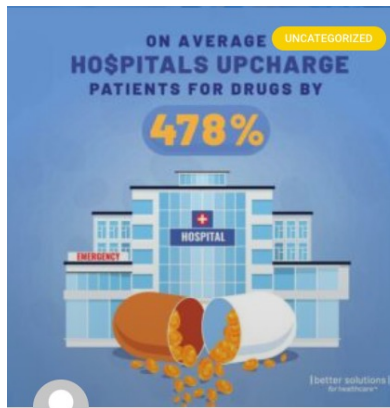
Executive Director, Better Solutions

View these Stories from Better Solutions for Healthcare



A 50k Trauma Fee....Just in Case

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On average, hospitals upcharge patents by 487%

This report is an update to a previous report examining hospital markups for separately paid drugs. Our prior analysis examined hospital charges and reimbursement for

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Hospital System Sued 2,500 Patients After Pandemic Hit

When the coronavirus began spreading through New York, Gov. Andrew M. Cuomo ordered state-run hospitals to stop suing patients over unpaid medical bills, and almost

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HOSPITAL FAIR PRICE IN ACTION: PEOPLE MATTER

How National Alliance Coalitions and Strategic Partners Are Driving Progress for America's Working Families

In the News

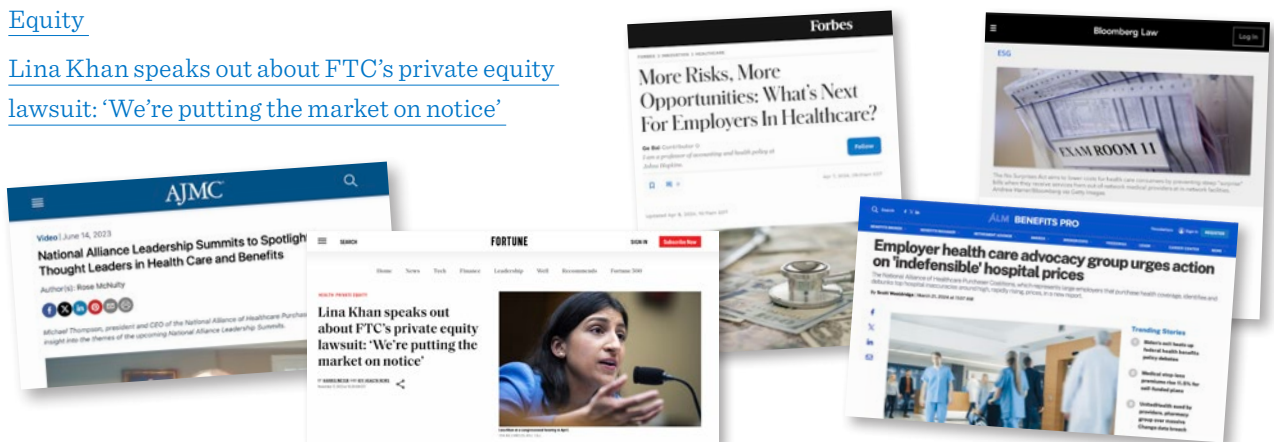
As coalitions and employers make their way to health policy arenas, they are discovering most lawmakers have little to no knowledge about the role employers play in paying for healthcare or the steep and unexplained rise in hospital prices. Similarly, employers/purchasers often don't know the prices they are paying for surgeries and other medical services, because hospitals and insurers keep them secret. These articles indicate that change is in the wind.

- ▶ [The media is turning up the pressure on demands for hospital transparency and fair price.](#)
- ▶ [Opinion: High Healthcare Costs Cause Pain for Small Business Owners and Employees](#)
- ▶ [More Risks, More Opportunities: What's Next for Employers in Healthcare?](#)
- ▶ [Employer Health Care Advocacy Group Urges Action on 'Indefensible' Hospital Prices](#)
- ▶ [National Alliance President and CEO Shawn Gremminger Discusses 2024 Initiatives, PBMs, and Health Equity](#)
- ▶ [Obesity, Women's Health, Health Equity Among Top Benefit Focuses for Employers in 2024](#)
- ▶ [Report: Less than Half of Employers are Confident in Integrity of Hospitals, PBMs](#)
- ▶ [Employer Survey Finds High-Cost Claims and Hospital Prices are Major Concern](#)
- ▶ [FTC Chief Gears up for Showdown with Private Equity](#)
- ▶ [Lina Khan speaks out about FTC's private equity lawsuit: 'We're putting the market on notice'](#)



Allison Ball, manager, research and analytics for St. Louis Area Business Health Coalition, shares how hospital fair price is front-page news. Read the St. Louis Hospital Industry Overview 2024 to see why!

- ▶ [Employer group pushes for site-neutral](#)
- ▶ [3 Ways That Large Employers Influence Health Insurance Costs, Coverage](#)
- ▶ [Employer Group to Hospitals: Your High Prices Aren't Justified and Here's Why](#)
- ▶ [Congress can lower health care costs by holding hospital systems accountable](#)
- ▶ [Survey of Employers Finds High-cost Claims Fastest Driver of Healthcare Expense for Employers](#)
- ▶ [Mayo Clinic patients see facility fees appear where they weren't before](#)
- ▶ [No Surprises Act Driving Medical Cost Hikes, Employer Groups Say](#)



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For over 30 years, the National Alliance has united business healthcare coalitions and their employer/purchaser members to achieve high-quality care that improves patient experience, health equity, and outcomes at lower costs. Its members represent private and public sector, nonprofit, and labor union organizations that provide health benefits for more than 45 million Americans and spend over \$400 billion annually. To learn more, visit nationalalliancehealth.org and connect on [X](#) and [LinkedIn](#).