

1/22/2026

Chairman Griffith, Ranking Member DeGette, and Members of the Health Subcommittee,

The National Alliance of Healthcare Purchaser Coalitions appreciates the subcommittee's attention to the pressing need to make healthcare more affordable, and we thank you for holding the hearing "*Lowering Health Care Costs For All Americans: An Examination of Health Insurance Affordability.*"

The National Alliance is the only nonprofit, purchaser-led organization with both national and regional reach. Through more than 40 employer coalitions, our members represent public and private employers, nonprofits, and labor unions that provide health benefits to over 90 million Americans, spending more than \$850 billion every year on healthcare. Employers play a vital role in maintaining access to affordable, high-quality coverage for working families and the policies you consider here have a direct impact on those costs.

Our coalitions and their employer members work every day to design high-value, affordable benefits for their employees, but entrenched market failures and misaligned incentives in today's healthcare system often limit what employers can achieve on their own. Meaningful federal policy reform is essential to drive real change. At the National Alliance, we are encouraged to see lawmakers engaging seriously on the question employers, working families, and plan sponsors ask every day: *why does health care keep getting more expensive and what can we do about it?*

As the Subcommittee works to address these questions, the National Alliance urges a focus on real, attainable, policy solutions. **Passing PBM reform and addressing rising hospital prices are among the most impactful actions Congress can take to improve healthcare affordability for employers and working families.** Together, these reforms would tackle two of the largest and fastest-growing drivers of healthcare spending and restore accountability and value across the system.

PBM Reform

Employers and working families strongly **support the PBM reforms included in Sections 6701 and 6702 of the draft January 30 Continuing Resolution (CR) released earlier this week.** We have long called for these reforms, and without these policies in the final CR, employers will not see meaningful relief from rising healthcare costs.

We support policies that increase transparency and require the pass-through of rebates because employers and other plan fiduciaries must be able to see where healthcare dollars are going to manage costs responsibly. When rebates and fees are retained by intermediaries rather than passed back to plans, incentives become misaligned, driving higher list prices, increasing overall spending, and undermining affordability for workers and their families.

Transparency and rebate pass-through are not abstract policy concepts for employers. They are foundational tools that allow purchasers to evaluate value, negotiate fairly, and fulfill their fiduciary

responsibilities. Employers are doing everything within their control to manage costs while preserving access and quality for employees, but they cannot overcome opaque pricing structures and distorted incentives on their own. Lasting healthcare affordability will require federal policy solutions that restore accountability and ensure savings flow to the people paying for and relying on coverage. **It is past time for Congress to pass meaningful PBM reform.**

Hospital Pricing and Transparency

Hospital prices are a major and growing driver of healthcare costs for employers and working families, accounting for 50 cents of every dollar spent. Prices for the same hospital services can vary dramatically, often without any relationship to quality, and are frequently unknown until after care is delivered. This lack of transparency limits competition and makes it difficult for employers to manage costs or help employees make informed decisions.

The National Alliance supports policies that meaningfully strengthen hospital price transparency, including the bipartisan *Patients Deserve Price Tags Act*. Employers need access to clear, usable price information before care is delivered to negotiate fair contracts, design benefits that promote value, and meet their fiduciary responsibilities to protect plan assets.

We also urge Congress to **pass site-neutral payment policies** that address incentives encouraging care to shift into higher-cost hospital settings when lower-cost, clinically appropriate options are available. Paying the same amount for the same service, regardless of setting, would help curb unnecessary spending without sacrificing access or quality. The National Alliance also urges Congress to **pass fair billing requirements, requiring hospitals to use unique billing identification numbers at each of their off-campus locations**. These requirements provide greater transparency and ensure that patients and purchasers are paying appropriately for the site where the care was delivered. These provisions can be found in the *Fair Billing Act* introduced by Sens. Hassan and Marshall, and in Sec. 228 of the *Lower Costs for Everyday Americans Act*, introduced by Rep. Pallone. Together, these policies represent practical steps Congress can take to slow hospital cost growth and improve affordability for employers and their employees.

We appreciate the attention this issue is receiving and look forward to continuing to work with policymakers to advance common sense, bipartisan reforms that put affordability first.

Sincerely,

Shawn Gremminger
President and CEO
National Alliance of Healthcare Purchaser Coalitions

cc: Brett Guthrie, Chair, Committee on Energy and Commerce
Frank Pallone, Ranking Member, Committee on Energy and Commerce
Jake Auchincloss, Member, Committee on Energy and Commerce
Buddy Carter, Member, Committee on Energy and Commerce