



May 19, 2015

The Honorable Fred Upton  
2183 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Diana DeGette  
231 Cannon House Office Building  
Washington, D.C. 20515

Dear Representatives Upton and DeGette,

The Clear Choices Campaign is pleased to offer support and comment on the Medicare site-of-service price transparency provisions included in the 21<sup>st</sup> Century Cures latest draft legislation (released May 19, 2015).

Clear Choices is a consumer-industry coalition dedicated to making health markets more transparent, accountable, and consumer-friendly. Clear Choices is committed to ensuring patients have as much access to relevant information as possible, so they can make informed decisions. We believe doing so will not only empower consumers, but will also improve quality, improve health outcomes, and lower health costs. Realizing this potential will require the broader availability and use of information and data to generate meaningful and accurate comparative information.

The House Energy and Commerce 21<sup>st</sup> Century Cures legislation includes provisions on Medicare site-of-service price transparency. The section would require the Department of Health and Human Services (HHS) Secretary to establish and update annually a searchable public website that discloses the estimated costs to the government and to individuals of Medicare services provided in hospital outpatient departments compared to ambulatory surgical centers.

Clear Choices commends the Committee for including the Medicare site-of-service price transparency provisions as an important first step towards improving Medicare price disclosure at the federal level. However, Clear Choices advocates for additional changes to make the disclosed information more useful to Medicare beneficiaries and other stakeholders, as outlined below.

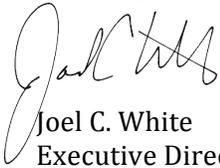
- 1) **Disclose Payments for Physician Offices:** We suggest that the services disclosed include not just those billed in hospital outpatient departments and ambulatory surgical centers, but also encompass comparable services in physician offices. In its [June 2013 report](#), MedPAC identified 66 codes related to ambulatory payment classifications that could have the same Medicare payment rate whether they are provided in a hospital outpatient department or in a physician's office. If beneficiaries have information on lower cost options for the same or similar services, they could reduce their cost sharing. For example, chemotherapy costs are \$6,500 more in an HOPD setting versus a physician office with no difference in quality.
  - a. **Include Additional Information for Disclosure:** The provisions featured in the 21<sup>st</sup> Century Cures draft legislation are a departure from the [previously drafted bill](#) by Congressman Gus Bilirakis (R-FL) that required disclosure for the 100 ambulatory codes with the highest volume in Medicare. That previous draft

bill would have provided more information to help consumers make more informed decisions, such as:

- i. List of providers;
- ii. Applicable quality measures;
- iii. Maximum out-of-pocket cost, including plan deductible and cost sharing, for an individual; and
- iv. Identification of the site of service with the lowest out-of-pocket cost for an individual.

We appreciate your leadership on this issue and are pleased that the 21<sup>st</sup> Century Cures legislation takes steps to improve Medicare cost information available for hospital outpatient departments and ambulatory surgical centers. To maximize its benefits for Medicare beneficiaries, we urge the Committee to include the recommended changes offered in this letter. We look forward to continuing to work with you to ensure that all stakeholders and consumers have access to the information they need to make better health care choices.

Sincerely,



Joel C. White  
Executive Director