

**Written Testimony Submitted to  
The U.S. Senate Committee on Health, Education, Labor & Pensions  
Full Committee Hearing  
“Making Health Care Affordable: Solutions to Lower Costs and Empower Patients”  
Thursday, July 31, 2025**

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As a nonprofit, nonpartisan organization working to lower the cost of healthcare and empower patients through systemwide price transparency, PatientRightsAdvocate.org is honored to submit testimony in support of the Patients Deserve Price Tags Act (S. 2355), bipartisan legislation that can accomplish the Committee’s goal to make healthcare affordable and empower patients, employer and union plans, and all consumers.

The Patients Deserve Price Tags Act, recently introduced by Sens. Roger Marshall and John Hickenlooper, will substantially reduce the cost of care and coverage through competition, choice, and accountability. By pulling the curtain back on hidden prices throughout the healthcare system, it will allow consumers to compare and save, creating a functional, competitive, pro-consumer healthcare marketplace.

**S. 2355 will empower patients with upfront prices.**

This legislation enforces and strengthens price transparency requirements for hospitals and expands them to other more affordable providers, including clinical labs, imaging centers, and outpatient surgical facilities. It requires the publication of all actual prices, including discounted cash and negotiated rates by health plan, and forbids unaccountable estimates, algorithms, and formulas.

Upfront prices empower consumers, including patients, employers, unions, and workers, to avoid overcharges, spot wide price variations of ten times or more, and choose affordable care. They can compare actual prices with their Explanation of Benefits (EOB) and itemized bills, as the legislation requires, to hold hospitals and health insurers accountable for overbilling, erroneous charges, and fraud.

Consider how systemwide price transparency, as required by the Marshall-Hickenlooper bill, can help patients like Mark Thompson from Albuquerque, NM, and Kerry Shrader from Hoover, AL:

- **In January 2024, Mark Thompson, age 54, a real estate investor, living in Albuquerque, NM, needed outpatient surgery to repair a hernia.** He called beforehand for the price. A billing agent provided a written estimate of \$3,587 and told Mark he needed to pay the day of surgery. He did and thought that covered it.

But the bills kept coming. The hospital bill alone came in at an outrageous \$93,826, and the physician’s bill came in at \$68,134. That’s more than \$160,000 for an outpatient hernia surgery without complications. Mark’s insurance paid \$90,238, but his out-of-pocket responsibility was over \$7,500. He spent hours on the phone and writing emails fighting the overcharges with little success.

“Although I did my due diligence, it didn’t matter,” he said. What I should have gotten was a guaranteed total price in advance, but I didn’t. All prices are hidden until you can’t go back. I can’t think of another industry that can get away with this.”

- **Kerry Schrader, age 62, of Hoover, AL, is equally frustrated.** In September of 2024, the semi-retired human resources executive went to her doctor’s office for a muscle biopsy on her calf to rule out a serious neurologic condition, which thankfully she doesn’t have. Thirty days beforehand, she tried to get a price. Despite many calls, no one could tell her. Because she has insurance, and the procedure was minor, she went ahead. She was in and out of her doctor’s office in an hour. (She later learned a hospital owned the practice.) She was fully awake during the procedure. She wore shorts, had no monitors, no IVs, and no complications, until the bills arrived.

First she got a bill for \$1,059 from the physician’s office. She thought that was the total charge, which seemed reasonable. Then she received a bill from the hospital for \$16,531 (which included a \$4,464 facility fee for the use of the “hospital” room, and \$12,067 for pathology). Months later, she received notice that \$1,206 had been added to her \$1,059 doctor’s bill because her insurance denied coverage saying she didn’t have preauthorization. All totaled, the gross bills amounted to an outrageous \$28,460, leaving her responsible for \$5,875. She’s furious and fighting, paying small amounts to stay out of collections.

Recently, Kerry was scheduled to have a colonoscopy. She tried to find out the price up front. “From what I learned, my cost could be zero, or it could be \$2,400, but that was just an estimate.” She cancelled the appointment.

Both Mark and Kerry agree that if they had actual, comprehensive upfront prices covering all aspects of their care, their choices and financial outcomes would have been much different.

### **S. 2355 will enable employer and union plans to lower their costs and design better plans.**

**The positive effects of the Patients Deserve Price Tags Act go beyond patients. The savings for U.S. employers and employees in terms of lower health plan costs, improved plan design, and higher take-home pay will also be substantial.** Currently, insurers and third-party administrators (TPAs) routinely block employer and union health plans from reviewing their own health claims data, making it impossible to spot overcharges and savings. The Patients Deserve Price Tags Act gives employers and union health plans access to their claims data via a daily transaction feed, empowering them to confirm that charges align with both payments made and contracted rates.

The bill also reveals the opaque financial relationships among TPAs and pharmacy benefit managers (PBMs) and their subsidiaries, giving health plans remedy and recourse against spread pricing, kickbacks, overbilling, and fraud. With this price information, employers and unions can make rational health plan decisions and steer employees to the best care at the best prices. They can share ensuing savings with their workers in the form of lower premiums and higher wages.

While it has been difficult for employer and union plans to gain access to their own claims data, some innovative plans have successfully accessed it to lower their costs:

- **The labor union SEIU 32BJ, which provides health coverage for 200,000 union members and their families saved \$100 million per year** on its healthcare by analyzing its claims data, eliminating price-gouging providers from its network, and directly contracting with price transparent providers.

After fighting to access its claims data and analyzing it, the union determined New York-Presbyterian Hospital was charging it 358 percent more than Medicare for the same care, significantly higher than competing hospitals. Its claims data showed massive price fluctuations for the same care, including C-sections that ranged from \$17,000 to \$55,000, depending on the hospital. In a move that other unions and employers can emulate, the union decided to drop New York-Presbyterian from its health plan network, delivering significant savings to its members.

These savings allowed the union to boost member wages by the largest amount in the union's history and give them each \$3,000 bonuses.

- **The Osceola School District, covering 6,500 lives, cut its spending by 30%, amounting to \$75 million over five years,** by eliminating costly middlemen and working directly with a transparent benefits advisor.

Traditional insurance companies routinely engage in spread pricing, charging employer health plans significantly more for care and prescription drugs than what they reimburse hospitals or pharmacies, pocketing the difference. Osceola's approach recoups this profiteering, and ensures health plan spending goes to care, not corporations.

These changes were not easy to implement with the status quo; the school district's former insurer, Cigna, sued the district when it chose a different insurer. Ultimately, the school district transformed its health plan from being on the verge of insolvency to achieving long-term sustainability. As a result, it can devote more funds to teachers and classroom materials, not the healthcare industrial complex. Teachers enjoy higher take-home pay and better-quality care at a far lower price.

If S. 2355 becomes law, all employer and union health plans can much more easily follow these plans' lead to take control of their healthcare spend through transparency.

### **S. 2355 will save \$1 trillion per year and generate an economic stimulus.**

**Prominent economists are convinced that price transparency can revolutionize American healthcare and save approximately \$1 trillion in annual health expenditures, generating an enormous and ongoing economic stimulus.** Forty top economists recently signed a letter,<sup>1</sup> attached as Appendix A, urging Senators to cosponsor this legislation. They write: "As

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<sup>1</sup> Economist Letter, Marshall-Hickenlooper, <https://www.documentcloud.org/documents/26026210-economist-letter-marshall-hickenlooper/>

professional economists, we are united in our belief that real price transparency is urgently required to reverse the nation's runaway healthcare costs that place a tremendous financial burden on patients, employers, workers, and the national economy.”

Members of the HELP Committee, we are in a moment in time to take the blindfold off the American public and let price transparency empower consumers to shop for the best care at the best price, keep more of their hard-earned dollars, enjoy financial certainty, and make healthcare affordable again. Please support the Patients Deserve Price Tags Act as the solution to substantially lower healthcare costs and empower patients.

Submitted By:

Cynthia A. Fisher  
Founder and Chairman  
[PatientRightsAdvocate.org](http://PatientRightsAdvocate.org)

## Appendix A: July 24, 2025 Economists Letter to Senators

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July 24, 2025

Dear Members of the U.S. Senate,

As professional economists, we are united in our belief that real price transparency is urgently required to reverse the nation's runaway healthcare costs that place a tremendous financial burden on patients, employers, workers, and the national economy. Patients and employers need upfront prices to avoid overcharges, spot wide price variations – such as \$300 to \$3,000 MRIs and \$1,200 to \$12,000 colonoscopies -- and choose affordable care.

**Therefore, we urge you to please cosponsor the Patients Deserve Price Tags Act, which was recently introduced by Sens. Roger Marshall and John Hickenlooper.**

This bipartisan legislation requires the publication of actual prices, including discounted cash and negotiated insurance rates, throughout the healthcare system. This real price information can empower consumers to reduce the skyrocketing cost of care and coverage through choice and competition.

The bill codifies and strengthens existing federal hospital and health insurance price transparency rules that have suffered from widespread noncompliance. It extends price transparency requirements to labs, imaging clinics, and ambulatory surgical centers. And it forbids the use of unaccountable price estimates instead of actual prices consumers need for financial protection and comparison shopping.

The legislation requires providers to offer detailed itemized bills for services and prevents them from pursuing collections actions if the billed amount is higher than published prices. It requires health plans to provide Explanations of Benefits (EOBs), which they can compare to upfront prices.

Crucially, the bill operationalizes an existing anti-gag law to ensure that self-insured state government health plans and ERISA-regulated employer and union health plans can access a daily transaction feed of their claims data, which third-party administrators (TPAs) routinely hide to facilitate spread pricing and overpayments.

Further, the bill requires TPAs to affirmatively provide these health plans with information on the financial arrangements with their middle players, such as pharmacy benefit managers, which are often incentivized to increase costs to employers and workers to financially benefit themselves.

Businesses and workers have been among the biggest victims of America's opaque healthcare system. The average employer-sponsored family insurance plan now [exceeds \\$24,000 annually](#), up 50% in the last decade. Workers pay most of this cost through premium deductions and forgone wages. One [study](#) finds that about the same share of compensation gains for average workers since 2000 has gone to health premiums as paychecks.

When employers and unions can get access to their claims data, they can cross-reference claims, payments, and prices to remedy overbilling and design affordable health plans. They can steer workers to the highest quality care at the lowest possible price and share the savings with workers in the form of lower premiums and higher wages. A Baker Institute [study](#) finds that an attainable reduction in annual employer health insurance premiums of \$1,373 per employee can increase retail business profitability by a median of 12.4%.

Returning excessive healthcare spending to patients, workers, and employers can create an enormous and ongoing economic stimulus. A 2019 JAMA [analysis](#) finds that approximately 25% of U.S. healthcare spending is lost to administrative waste, overcharges, overtreatment, fraud, and administrative complexity. In 2023, the U.S. [spent \\$4.9 trillion](#) on healthcare. Price transparency is a critical tool for creating an efficient market that eliminates much of this overbilling, resulting in approximately \$1 trillion in annual national health expenditure savings, boosting business earnings, worker paychecks, and the productive economy.

By requiring actual prices, which are a fundamental part of any functional marketplace, the bipartisan Marshall-Hickenlooper bill finally corrects the unacceptable information asymmetry that requires healthcare consumers to pay for care with the equivalent of a blank check. Please stand up for American workers, businesses, unions, and patients and cosponsor this bill to help fix American healthcare and boost the economy and paychecks.

Sincerely,

1. **Ge Bai, Ph.D.** – Johns Hopkins University
2. **Moiz Bhai, Ph.D.** – University of Arkansas at Little Rock
3. **Ben Chartock, Ph.D.** – Bentley University
4. **Christopher S. Carpenter, Ph.D.** – Vanderbilt University
5. **Maura Coughlin, Ph.D.** – Rice University
6. **David Cutler, Ph.D.** – Harvard University
7. **Shooshan Danagoulain, Ph.D.** – Wayne State University
8. **Sunita Desai, Ph.D.** – New York University
9. **David Dranove, Ph.D.** – Northwestern University
10. **Stacie B. Dusetzina, Ph.D.** – Vanderbilt University School of Medicine
11. **Steve Forbes** – Chairman and Editor-in-Chief of Forbes Media
12. **Deborah A. Freund, Ph.D.** – Claremont Graduate University
13. **Christopher Garmon, Ph.D.** – University of Missouri Kansas City
14. **Vivian Ho, Ph.D.** – Rice University
15. **David Howard, Ph.D.** – Emory University
16. **Derek Jenkins, Ph.D.** – Rice University
17. **Ruben Juarez, Ph.D.** – University of Hawai'i
18. **Riley League, Ph.D.** – University of Illinois Urbana-Champaign
19. **Arthur B. Laffer, Ph.D.** – Laffer Associates
20. **Richard Lindrooth, Ph.D.** – University of Colorado, Denver
21. **Anthony T. Lo Sasso, Ph.D.** – DePaul University
22. **K. John McConnell, Ph.D.** – Oregon Health & Science University

- 23. Steve Moore, Ph.D.** – Cofounder of Unleash Prosperity
- 24. John Mullahy, Ph.D.** – University of Wisconsin-Madison
- 25. Elizabeth Munnich, Ph.D.** – University of Louisville
- 26. Lauren Hersch Nicholas, Ph.D.** – University of Colorado
- 27. Kelsey Owsley, Ph.D.** – University of Arkansas
- 28. Gabriel Picone, Ph.D.** – University of South Florida
- 29. Daniel Polsky, Ph.D.** – Johns Hopkins University
- 30. John A. Rizzo, Ph.D.** – Stony Brook University
- 31. Tatiane Santos, Ph.D.** – Tulane University
- 32. Bisakha “Pia” Sen, Ph.D.** – University of Alabama at Birmingham
- 33. Kosali Simon, Ph.D.** – Indiana University
- 34. David Slusky, Ph.D.** – University of Kansas
- 35. Frank A. Sloan, Ph.D.** – Duke University
- 36. Joanne Spetz, Ph.D.** – University of California, San Francisco
- 37. Christopher Whaley, Ph.D.** – Brown University
- 38. Bingxiao Wu, Ph.D.** – Rutgers University
- 39. Yang Wang, Ph.D.** – Johns Hopkins University
- 40. Sammy Zahran, Ph.D.** – Colorado State University

*Institutions are listed for identification purposes and should not be viewed as signatories to the letter.*