

TAXPAYERS PROTECTION ALLIANCE

June 9, 2020



President Donald J. Trump
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

The Honorable Alex M. Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201



Vice President Michael R. Pence
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

The Honorable Seema Verma
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244



Mrs. Brooke Rollins
Assistant to the President
Director, Domestic Policy Council
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

President Trump, Vice President Pence, Secretary Azar, Administrator Verma, Mrs. Rollins:



On behalf of millions of taxpayers and consumers across the United States, the [Coalition Against Rate-Setting](#) (CARS) urges you to oppose price controls on the healthcare system. For the past year, some members of Congress and some individuals in the Trump administration have repeatedly floated the idea of “fixing” the pressing problem of surprise medical billing through a “rate-setting” system. These fatally flawed proposals would have Washington, D.C. bureaucrats dictating to doctors the prices they should charge patients. Recently, *Politico* [reported](#) that the administration is considering a plan that would, “outlaw health care providers from putting patients on the hook for thousands of dollars in expenses — but without mandating how doctors and hospitals would recover their costs from insurers.”

While such reporting gives cause for cautious optimism, we recognize that much remains to be negotiated. As such, the Coalition would like to reiterate that any mandates or price controls would make surprise billing problems worse and disrupt care for millions of patients across the country. These effects would be particularly devastating as the COVID-19 pandemic continues to claim far too many lives. We therefore urge you to reject rate-setting and embrace market-oriented solutions to solve the pressing problem of surprise medical billing.

During the worst public health emergency in our lifetimes, millions of patients across the country have found themselves in emergency rooms and healthcare clinics. Many of them reasonably assumed their troubles would be over after being discharged, only to receive a surprise medical bill in the mail days or even weeks after being discharged. Each year, 1 in 7 patients in the U.S. receive these unwanted, unexpected expenses after being sent home by their doctors. This devastating problem stems from increasingly narrow health insurance networks which increasingly refuse to compensate attending doctors at in-network medical facilities. Far-reaching pieces of legislation such as the Affordable Care Act (aka Obamacare; signed into law in 2010) have simply made the





problem worse, and now, an estimated three-quarters of Obamacare plans feature narrow insurance networks.

Yet, despite federal interventions and regulations making the problem worse, some government officials want to double-down on bureaucratic control over the healthcare system. Members of Congress such as Sen. Lamar Alexander (R-Tenn.) and Rep. Frank Pallone (D-N.J.) have proposed rate-setting for doctors and repeatedly tried to insert this “fix” in Coronavirus-related relief legislation. Officials in the Trump administration have worked hard to get a thorough understanding of this issue and deliberate on their own plan to end unwanted medical expenses. But rate-setting would only make the problem worse, and lead to the widespread consolidation of hospitals, clinics, and doctor’s offices across the country. California has already tried this failed approach, implementing healthcare price controls in 2017. According to a 2019 *American Journal of Managed Care* study examining the law, rate-setting has led to healthcare facilities closing their doors and merging with other, larger practices. Doctors are even contemplating leaving California altogether.

On January 22, 14 advocacy groups and think-tanks formed CARS to warn lawmakers and the Trump administration about the myriad unintended consequences of rate-setting. CARS is now 34 groups strong, and its work has been cited extensively by national and state media. On April 28, CARS released a [letter](#) signed by more than 160 economists urging officials to reject healthcare price-controls.

CARS urges you to take these scholars’ arguments into account, and remain vigilant against federal overreach in the healthcare system. Millions of doctors are on the frontlines of the COVID-19 pandemic treating patients, and now would be the worst possible time to impose onerous price controls on them. Thank you for your time and consideration of this pressing issue.

Sincerely,

Tim Andrews
Executive Director
Taxpayers Protection Alliance

Mario H. Lopez
President
Hispanic Leadership Fund

Christopher Sheeron
President
Action For Health

Andrew Langer
President
Institute For Liberty

Bob Carlstrom
President
AMAC Action

Harry C. Alford
Co-Founder, President/CEO
National Black Chamber of Commerce

Brent Wm. Gardner
Chief Government Affairs Officer
Americans for Prosperity

Pete Sepp
President
National Taxpayers Union

Norman Singleton
President
Campaign 4 Liberty

Robert Fellner
Vice President & Policy Director
Nevada Policy Research Institute



Ryan Ellis
President
Center for a Free Economy

Wayne Winegarden, Ph.D
Senior Fellow & Director, Center for
Medical Economics and Innovation
Pacific Research Institute



Andrew F. Quinlan
President
Center for Freedom and Prosperity

Joshua H. Crawford
Interim Executive Director
Pegasus Institute



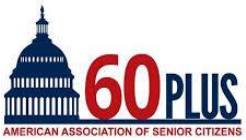
Jeffrey L. Mazzella
President
Center for Individual Freedom

Renee Amar
Vice President for Policy and
Government Affairs
Pelican Institute for Public Policy



Thomas Schatz
President
Citizens Against Government Waste

Paul Gessing
President
Rio Grande Foundation



Twila Brase, RN, PHN
President & Co-Founder
Citizens' Council for Health Freedom

Robert Alt
President & CEO
The Buckeye Institute

Matthew Kandrach
President
Consumer Action for a Strong Economy

David McIntosh
President
The Club For Growth

Jason Pye
Vice President of Legislative Affairs
FreedomWorks

James Taylor
President
The Heartland Institute

George Landrith
President
Frontiers of Freedom

James L. Martin, Founder/Chairman
Saulius "Saul" Anuzis, President
60 Plus Association

Jessica Anderson
President
Heritage Action For America