



Department of Health and Human Services
Secretary Xavier Becerra
200 Independence Ave SW
Washington, DC 20201

Congressional Black Caucus
The Honorable Congresswoman Joyce Beatty, Chair
2303 Rayburn House Office Building
45 Independence Ave SW
Washington, DC 20515

Center for Medicare & Medicaid Services
Administrator Chiquita Brooks-LaSure
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Becerra, Administrator Brooks-LaSure, and Congresswoman Beatty,

Thank you and all Members of the Congressional Black Caucus for your leadership on issues of importance to Black Americans, namely your work regarding equal access to quality healthcare.

The [Healthcare Equality Network](#), comprised of leading civil rights organizations and individuals, is dedicated to bringing awareness to the healthcare imbalance in this country, including access to quality hospitals and physicians, fairness in costs and billing, and proper, healthy living conditions. We aim to work alongside regulators and decisionmakers to correct these injustices and ensure current and future generations are set up for success.

That is why, along with former Congressman Ed Towns, we are writing to you about a proposed policy that we are seeing disproportionately affect our communities – the proposed increased fines for hospital price disclosure. Given the unintended consequences of these price increases, including the disproportionate impact on at-risk hospitals, we urge you to reconsider moving forward with them.

This Trump-era policy requires hospitals to reveal their pricing for outpatient services, and now we have seen reports that this Administration is [expected](#) to increase the already-steep cost penalty for hospitals with more than 30 beds to \$10 per bed per day, with a maximum of \$5,000 a day. As you know, many facets of society have been completely rocked by the effects of this pandemic, but our nation's hospitals have seen a devastating impact like no other, and the financial burden is already too much for many to take.

As Brock Slabach, chief operations officer for the National Rural Health Association, [pointed out](#), "We're running out of intensive care unit beds. We don't have enough people to take care of patients," and the administrative effort it takes to comply could "deplete our resources" when they're most needed.

While some organizations who claim to be patient-advocates are fighting to increase fines for hospitals, the reality is that this policy has the potential to harm patients more than serve them. One group, Patients Rights Advocate, even [questioned](#) why hospitals see this as a cost burden saying, "It does not cost hospitals anything meaningful to post this information before care;" however, this is just not true.

While these policies are well-intentioned, they do not usually achieve their objective. In fact, we have seen this ruling impact underserved and rural hospitals the most. Now, these hospitals that already can't afford to pay the current fines will be more at risk of having to close.

- A study done by the Journal of the American Medical Association found that pricing tools made available to employees [did not lower aggregate outpatient spending](#), but actually increased it.
- According to [a report](#) from the Center for Healthcare Quality and Payment Reform, more than 40 percent of rural hospitals in the country were at immediate or high risk of closing as of July 2021.
- As pointed out by [Dr. George Pink](#), a distinguished professor at the University of North Carolina Chapel Hill, “Communities that are served by rural hospitals at high risk of financial distress are much more likely to have a higher proportion of minorities in the community.”

Clearly, this increase in fines promises to put an even greater cost burden on hospitals that are trying their best to provide quality patient care; meanwhile, insurance companies continue to get away with paying less for increased profits.

Right now, patient care and equal healthcare access should be the number one priority for our country. The pandemic has exacerbated what was already a dire situation for hospitals – we cannot put more burdens on their shoulders. Please consider the impact these increased fines have on our communities’ hospitals. The current cost is already greater than many rural and underserved hospitals can bear – any increase will be nothing short of devastating for them.

Thank you for your thoughtful consideration.

Sincerely,

Congressman Ed Towns

The Healthcare Equality Network

Black Women’s Health Imperative

The Frederick Douglass Foundation

Southern Christian Leadership Conference

Dr. Benjamin F. Chavis, Jr.

Dr. Julianne Malveaux

CC: *Congressional Black Caucus*

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Rep. Brenda Lawrence
Rep. Hank Johnson
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