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**Written Statement for the Record Before the U.S. House Committee on Energy & Commerce Subcommittee on Health**

**“Lowering Health Care Costs for All Americans: Examining Policies to Increase Health Care Transparency”**

June 10, 2026

John Arensmeyer

Founder & CEO, Small Business Majority

Dear Chairman Griffith, Ranking Member DeGette and members of the Subcommittee on Health:

As a leading representative of America’s 36 million small businesses, Small Business Majority is pleased to submit this written statement for the record to the U.S. House Committee on Energy & Commerce Subcommittee on Health regarding legislative proposals that will increase transparency in healthcare and, in turn, lower healthcare costs for small businesses and their employees.

Small Business Majority is a national small business organization that empowers America’s entrepreneurs to build a thriving and equitable economy. From our 10 offices across the country, we engage our network of more than 85,000 small businesses and 1,500 business and community organizations to deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth. Our work is bolstered by extensive research and deep connections with the small business community that enables us to educate stakeholders about keys issues impacting America’s entrepreneurs, with a special focus on the smallest, most under-resourced businesses.

**Rising healthcare costs remain a key barrier for small businesses and entrepreneurs**

Access to affordable, quality health insurance is essential to the growth and success of small businesses nationwide, as it not only allows entrepreneurs to pursue their ventures with the security of insurance coverage but also helps small businesses attract and retain talented employees. However, due to the skyrocketing cost of employer-sponsored coverage options, most of our nation’s smallest businesses cannot afford to offer health insurance to their employees. In fact, while nearly all (96%) employers with 50 or more employees offered healthcare insurance to their employees in 2024, just 32% of businesses with fewer than 50 employees were able to do the same.<sup>1</sup>

Small Business Majority’s national healthcare polling found that among small businesses that offer employee coverage, rising costs, such as premiums, deductibles, copays and hospital visits, are significantly impacting their bottom line and forcing owners to make difficult decisions that affect their employees’ wellbeing.<sup>2</sup> Our polling found that small businesses were most likely to address rising costs by increasing employee contributions to health plans, moving to plans that offer more limited coverage, cutting other employee benefits or dropping healthcare coverage altogether. This not only creates a competitive disadvantage for our nation’s smallest businesses as they continue to struggle to hire and

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<sup>1</sup> “Percent of Private Sector Establishments That Offer Health Insurance to Employees, by Firm Size.” KFF. <https://www.kff.org/state-health-policy-data/state-indicator/firms-offering-coverage-by-size>

<sup>2</sup> “Opinion poll: Small businesses struggling with rising healthcare costs, support bipartisan policy solutions.” Small Business Majority. February 21, 2024. <https://smallbusinessmajority.org/our-research/healthcare/small-businesses-struggling-rising-healthcare-costs-support-bipartisan-policy-solutions>

retain qualified workers, but forces millions of small business owners and employees to find coverage elsewhere or simply go uninsured.

Recent policy decisions made by Congress, including the failure to extend the Affordable Care Act's enhanced premium tax credits and devastating cuts to Medicaid that were enacted through H.R. 1, have driven premiums through the roof for many of America's smallest businesses that rely on the individual and small group insurance markets. In fact, according to recent polling from Small Business Majority, 71% of small business owners saw their healthcare premiums increase over the past year.<sup>3</sup> These decisions have direct consequences for small businesses and their employees, underscoring the importance of addressing the driving forces behind rising healthcare costs through commonsense, bipartisan proposals that bring more transparency and competition to the healthcare system.

### **Small businesses back bipartisan proposals that promote competition in healthcare markets to help rein in rising healthcare costs**

Main Street is counting on Congress to fix market failures in our healthcare system, lower costs for small businesses and expand access to affordable, high-quality coverage. However, lawmakers must do more to address the root causes of the healthcare affordability crisis that continues to plague small businesses. An overwhelming majority (78%) of entrepreneurs believe that policymakers have not been effective at all in addressing rising healthcare costs for small businesses.<sup>4</sup> As the Subcommittee considers legislative proposals to address rising healthcare costs and increase price transparency across healthcare providers and insurance markets, Small Business Majority urges lawmakers to prioritize the following reforms:

- **Pass the Patients Deserve Price Tags Act (H.R. 5582):** Growing consolidation within the healthcare industry has resulted in higher prices for consumers and small businesses with no apparent improvements in service or outcomes due to a lack of price transparency. While most industries publicly post prices, healthcare remains a notable exception—leaving consumers in the dark about the true cost of care until the bill arrives. As a result, 96% of small business owners say that healthcare providers should be required to publicly post the prices they charge for services.<sup>5</sup> We urge Congress to pass the bipartisan, bicameral Patients Deserve Price Tags Act to codify and strengthen existing healthcare price transparency rules for providers and health plans. Pulling back the curtain on the true cost of health services will not only lower costs for patients and consumers through improved consumer choice and competition but will also provide small business owners with critical data that allows them to purchase more cost-friendly plan options that fit their employees' needs.
- **End unfair billing practices and enact site-neutral payment reform:** Hospital networks continue to reap the benefits of structural flaws that incentivize consolidation and drive-up costs for businesses, workers and consumers alike. For example, Medicare often reimburses higher rates for a service when performed in a hospital outpatient facility rather than a physician's office. This creates an incentive for hospital systems to acquire physician practices and shift care to higher-cost settings where they can bill patients at the higher Medicare rate, plus tack on additional costs like facility fees. Small Business Majority urges Congress to enact site-neutral payment reforms, such as those included in the bipartisan Lower Costs, More Transparency Act passed by the House in the 118th Congress, to align Medicare reimbursement rates across care settings and ensure patients pay the same price for the same service regardless of where it is

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<sup>3</sup> "Voice of Main Street: Small businesses being strained by rising costs." Small Business Majority. March 25, 2026. <https://smallbusinessmajority.org/our-research/voice-of-main-street/small-businesses-being-strained-rising-costs>

<sup>4</sup> "Voice of Main Street: Small businesses support healthcare premium relief, immigration reform." Small Business Majority. November 13, 2025. <https://smallbusinessmajority.org/our-research/voice-of-main-street/small-businesses-support-healthcare-premium-relief-immigration-reform>

<sup>5</sup> "Opinion poll: Small businesses struggling with rising healthcare costs, support bipartisan policy solutions." Small Business Majority. February 21, 2024. <https://smallbusinessmajority.org/our-research/healthcare/small-businesses-struggling-rising-healthcare-costs-support-bipartisan-policy-solutions>

delivered.<sup>6</sup> Our research found that 78% of entrepreneurs agree that Medicare should reimburse providers at the same price, regardless of where the service was performed, while 88% agree that hidden fees like facility fees should be banned.<sup>7</sup>

Small business owners across the country are urging lawmakers to advance legislation that strengthens healthcare price transparency to increase competition in the industry, hold providers accountable and lowers costs for their business and their employees.

*"I own and operate a security services company with over 50 employees. Over the past several years, the rising cost of health insurance has had a direct and significant impact on our business operations. As premiums continue to increase, small and mid-sized companies like ours are placed in a difficult position—trying to provide meaningful benefits to employees while remaining competitive in an industry where clients are highly price sensitive.*

*In our field, clients often compare bids line-by-line against other companies that may reduce labor costs or limit benefits in order to offer lower pricing. When healthcare costs rise without clear transparency or predictability, it puts responsible employers at a disadvantage and ultimately affects wages, staffing stability, and long-term growth. Greater transparency in healthcare pricing and cost drivers is critically important for small businesses. We need clearer insight into what we are paying for, why costs increase year over year, and what options truly exist to manage those costs without sacrificing employee care."*

- Felipe Monteiro, Founder and CEO, Guardian Capital Security, Wakefield, MA

*"Rising health insurance costs and opaque hospital pricing—particularly facility fees— make it difficult for small medical practices to both sustain their operations and provide affordable, comprehensive coverage for employees and patients. Improved price transparency and limits on excessive facility fees are necessary to prevent surprise costs, reduce care avoidance, and ensure that higher healthcare spending actually translates into better health outcomes rather than administrative and pricing inefficiencies."*

- Dr. Tony Gerck, Northeast Colorado Family Medicine, P.C. Associates, Sterling, CO

*"As an independent health insurance broker and small business owner, I help employers lower healthcare costs through transparency, alternative care models and incentive design. Most of my work is done with employers that have 50 or more employees, and especially those with 100+ employees, because these businesses can adopt self-funded health plans. In self-funded plans, employers are able to move away from traditional PPO networks and instead contract directly with healthcare providers, which allows them to see real prices and eliminate hidden markups. This model makes it possible to lower costs while maintaining, and often improving, quality of care.*

*Additionally, it's possible for healthcare providers to offer healthcare pricing transparency. For instance, the Surgery Center of Oklahoma posts all prices publicly on its website. There's no add-ons, surprise bills or hidden charges: the price you see is the price you pay. A knee surgery there typically costs between \$15,000 and \$20,000 while the same procedure at a hospital can cost over \$45,000. Since employers save so much money by using transparent providers, they are often able to waive employees' out-of-pocket costs entirely if workers choose the lower-cost option. Even if an employer covers an employee's deductible, they still*

<sup>6</sup> H.R.5378 - Lower Costs, More Transparency Act. <https://www.congress.gov/bill/118th-congress/house-bill/5378>

<sup>7</sup> "Opinion poll: Small businesses struggling with rising healthcare costs, support bipartisan policy solutions." Small Business Majority. February 21, 2024. <https://smallbusinessmajority.org/our-research/healthcare/small-businesses-struggling-rising-healthcare-costs-support-bipartisan-policy-solutions>

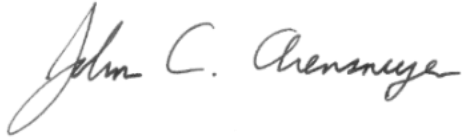
*save tens of thousands of dollars compared to hospital pricing, while also protecting workers from medical debt.”*

- Tom Tacheny, Diatom Advisory, Oklahoma City, OK

When combined, commonsense reforms such as price transparency and site-neutral payments not only reduce costs for patients, consumers and businesses, but also have the potential to decrease federal spending and strengthen the nation’s financial health. For example, the Congressional Budget Office (CBO) estimates that site-neutral payment reforms equalizing Medicare payments for most services across on-campus and off-campus hospital outpatient departments would generate \$157 billion in federal savings over the next decade.<sup>8</sup>

We thank the Subcommittee for holding this important hearing to explore how Congress can address rising healthcare costs through commonsense reforms that bring more transparency and lower costs to the healthcare system. For any questions or additional information, please contact our Senior Director of Federal Government Affairs, Alexis D’Amato Falvey, at [adamato@smallbusinessmajority.org](mailto:adamato@smallbusinessmajority.org).

Sincerely,

A handwritten signature in cursive script that reads "John C. Arensmeyer".

John Arensmeyer  
Founder & CEO  
Small Business Majority

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<sup>8</sup> “Reduce Payments for Hospital Outpatient Departments.” Congressional Budget Office. December 12, 2024. <https://www.cbo.gov/budget-options/60908>