

Report: Most Hospitals Aren't Complying With Federal Price Transparency Rules

A new PatientRightsAdvocate.org (PRA) [report](#) found that only one-third (34.5%) of hospitals were fully compliant with the federal Hospital Price Transparency Rule. Of the 2,000 hospitals that were reviewed nationwide, only 689 were fully compliant. The latest results were virtually unchanged from last year's, with 36% in compliance.

Since Jan. 1, 2021, the Hospital Price Transparency Rule requires all hospitals to post all prices publicly online. Of the 2,000 hospitals reviewed in the PRA report:

- 689 hospitals (34.5%) were fully compliant with the rule.
- 1,311 hospitals (65.5%) were not in full compliance with the rule.
- 87 hospitals (4%) did not post any usable standard chargers file and were in total noncompliance.
- 135 hospitals exhibited “backsliding,” meaning they were noncompliant this year after being compliant in the prior report.

Of the reviewed hospitals, none (0%) owned by the largest hospital were fully compliant. The PRA report found that more hospitals are posting multiple files instead of the single file required by the rule.

The data also suggests that the Centers for Medicare & Medicaid Services (CMS) is not strongly enforcing the rule. Despite these figures, CMS issued penalty notices to only 14 hospitals. As such, lenient enforcement may be causing many hospitals to

disregard the federal rule.

“Employer and union plans can use pricing and claims data to improve their plan designs and direct members to lower cost, high-quality facilities. However, continued noncompliance impedes this ability.”

- *The PRA report*

Employer Takeaway

Hospital price transparency is meant to help Americans know the cost of a hospital item or service before receiving it. With full hospital price transparency, consumers can make informed decisions, protect themselves from billing errors and help lower health care costs. Unfortunately, many Americans are in medical debt for charges they couldn't know in advance.

Hospitals account for the largest share of health care spending in the country. Studies like this PRA report can offer employers valuable information and important tools to help them be better-informed purchasers of health care services.

Employers should continue to monitor health care trends, utilization and spending. Contact us for more information.