

Hospital Price Transparency

CMS issued a final rule effective January 1, 2021, to improve transparency in health care costs by requiring hospitals to make their prices readily available for consumers. The rule applies to all hospitals regardless of how they are paid.

CMS's final rule provided specific instructions on which items were to be included on the list as well as gross charges for each item or service, payer-specific negotiated charges for each item or service, the discounted cash price, and codes used by a hospital to identify each item or service. CMS has also outlined its monitoring and enforcement plan to ensure hospital compliance. Potential actions CMS may take for noncompliance include providing a written warning listing violations, requiring a hospital to create a corrective action plan, and imposing civil monetary penalties.

To evaluate CMS's monitoring and enforcement of the hospital price transparency rule, we will review the controls in place at CMS and statistically sample hospitals to determine whether CMS's controls are sufficient to ensure that hospital pricing information is readily available to patients as required by Federal law. Additionally, if hospitals are not in compliance with CMS's rule for listing their charges, we will contact the hospitals to determine the reason for noncompliance and determine whether CMS identified the noncompliance and imposed consequences on the hospitals.

Announced or Revised	Agency	Title	Component	Report Number(s)	Expected Issue Date (FY)
September 2022	Centers for Medicare and Medicaid Services	Hospital Price Transparency	Office of Audit Services	WA-22-0013 (W-00-22- 35890)	2023