

## GUEST COLUMN: Industry Voices—Let's be Transparent About Hospital Price Transparency

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The Centers for Medicare & Medicaid Services (CMS) recently released the results of an update to its assessment of hospital compliance.

Notwithstanding the important fact that CMS is the official arbiter of compliance with the hospital price transparency rule, this update came at an important time as the amount of misinformation on the issue had reached an almost feverish pitch, and the record needed to be set straight.

Much of that misinformation has come from third-party, self-appointed judges, often with little experience working in hospitals and a tenuous grasp of the rules that often directly conflict with the policy and technical requirements.

What CMS found is that hospital compliance with the requirements has increased dramatically since the regulations first went into effect on Jan. 1, 2021. CMS found that in 2022, 70% of hospitals had complied with both the consumer-friendly display of shoppable services information and the machine-readable file requirements, up from 27% in 2021.

When you dig deeper, the numbers were even higher: 82% met the consumer-friendly display of shoppable services information requirement in 2022 (up from 66% in 2021), and 82% met the machine-readable file requirement (up from 30% in 2021). This is a more than twofold increase in compliance year over year, a measure of progress that even the most cynical among us would see as a huge step forward.

These numbers show significant progress on the part of hospitals implementing these requirements and are even more substantial given the incredible challenges hospitals faced in 2021 with respect to the COVID-19 pandemic, as CMS has noted, and the ongoing workforce crisis.

However, now that CMS has weighed in and acknowledged this impressive progress—while noting there is still work to be done, these critics have simply shifted gears. They've now pivoted to using hyperbole to attack CMS for doing exactly what it is tasked with as the regulatory oversight agency. After real movement from hospitals and health systems and ongoing oversight from CMS, these critics seem to have a tough time acknowledging progress.

Critics have cited other studies they believe support their own deeply flawed analyses. This has only created another correct-the-record moment because the studies critics have pointed to directly—when you look deeper—undermine their own argument. For example, two of the studies look only at 2021 compliance, which is now woefully outdated and paints an inaccurate picture; the third relies on data from Turquoise Health, a health tech company that analyzes provider and payer data.

Unfortunately for those critics, Turquoise's own recent analyses also have shown tremendous uptake in compliance. In an October report, Turquoise found that through the third quarter of 2022, 79% of short-term acute hospitals had four or five stars on their Transparency Scorecard (five being the highest score). Notably, all the systems called out recently by critics as having "compliance rates of zero" actually had five-star ratings on the Turquoise Transparency Scorecard. Clearly, there is a disconnect here.

The truth is that over the last three years, hospitals and health systems have cared for over 5 million COVID-19 patients. As they shouldered what was arguably one of the most significant responsibilities during this pandemic, stepping up to triage and care for patients and fill gaps in the public health infrastructure, they were asked to do more and comply with this rule.

Given the extraordinary circumstances at the time, initial adoption was delayed, but let the record clearly show that hospitals and health systems are committed to this and have worked hard to implement a variety of federal price transparency requirements. While more work needs to be done, let's vow to do it from a place of accuracy and clarity so we can focus on the task at hand—which is empowering patients with the information they need to make the best decisions for their health.

To do otherwise is just wasting valuable time and contributing to misinformation and disinformation.

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