

REPORT HIGHLIGHTS



November 2024 | A-07-22-06108

Not All Selected Hospitals Complied With the Hospital Price Transparency Rule

Why OIG Did This Audit

- Health care spending is projected to account for almost 20 percent of the American economy by 2027.
- CMS believes that one reason for this upward spending trajectory is the lack of transparency in health care pricing, and that improving transparency will increase market competition and drive down the cost of health care services.
- Several media reports have stated that hospitals appeared slow to comply with CMS's Hospital Price Transparency rule (HPT rule). Members of Congress expressed concern that some hospitals were either not taking any action to comply with the requirements of the HPT rule or were acting slowly.
- This audit assessed whether selected hospitals made their standard charges available to the public as required by Federal law.

What OIG Found

Not all of the selected hospitals made their standard charges available to the public as required by Federal law. Of the 100 hospitals in our stratified random sample, 63 complied with the HPT rule requirements; however, 37 did not comply with 1 or both of the following HPT rule requirements:

- 34 hospitals did not comply with 1 or more of the requirements associated with publishing comprehensive machine-readable files.
- 14 hospitals did not comply with 1 or more of the requirements associated with displaying shoppable services in a consumer-friendly manner.

On the basis of our sample results, we estimated that 46 percent of the 5,879 hospitals that were required to comply with the HPT rule did not comply with the requirements to make information on their standard charges available to the public.

What OIG Recommends

We recommend that CMS:

1. review noncompliant hospitals associated with our findings and, if CMS determines that the hospitals are noncompliant, execute CMS's enforcement measures as applicable;
2. use the information in this report and consider implementing changes suggested by hospitals, including providing written guidance clarifying the definition of "shoppable services" and developing a training and compliance program that is tailored for smaller hospitals; and
3. continue to strengthen its internal controls, to include allocating sufficient resources to maintain a robust program of reviews of the hospitals and their compliance with the HPT rule.

CMS concurred with all of our recommendations and described corrective actions taken before, during, and after our audit work.