## The Alliance for Fair Health Pricing (AFFHP) responds to CMS' Request for Information on Hospital Price Transparency, Accuracy, Completeness

July 22, 2025

The Alliance for Fair Health Pricing, a nonpartisan coalition of consumers, patients, and employers committed to making health care more affordable, is pleased to respond to the Centers for Medicare and Medicaid Services' (CMS) RFI on hospital price transparency. We believe that making health care more affordable for consumers, employers, and taxpayers is both an economic and societal imperative. However, to achieve this goal, we need more complete and transparent information on pricing.

For families, businesses, and policymakers to understand and address the problem of high health care prices with commonsense solutions that work, we need clear, comprehensive information on price, quality, and other key aspects of our health care system. Any effective effort to contain health care costs starts by pulling back the curtain on irrational price variation and using that information to drive meaningful action.

Clear and accurate hospital price transparency is critical to ensuring that:

- Consumers can make informed decisions about their care and choose high-value providers.
- Purchasers, including employers, can design more affordable coverage options.
- Clinicians can work with patients to make well-informed decisions about care.
- Federal and state policymakers and researchers can develop effective solutions to address high health care spending, lower costs, and improve patient care.
- Policymakers can understand and track the effects of market consolidation on prices.

We appreciate the Administration's ongoing efforts to address hospital price transparency. Below, we have outlined our response to the Hospital Price Transparency RFI to ensure pricing information is both accurate and complete. We look forward to continuing work on this important issue.















## Should CMS specifically define the terms "accuracy of data" and "completeness of data" in the context of HPT requirements, and, if yes, then how?

The Alliance for Fair Health Pricing, a nonpartisan coalition of consumers, patients, and employers focused on making health care more affordable, is supportive of the Centers for Medicare and Medicaid Services (CMS) defining accuracy and completeness of data for the hospital price transparency requirements. The lack of clarity over strong definitions of accuracy and completeness of data for the hospital price transparency requirements has resulted in mixed compliance with the requirements and limited usability of the data, inhibiting employers, consumers, policymakers, and researchers from taking steps to address and lower health care costs.

In general, accuracy and completeness of data should be defined as providing all of the required data elements outlined in the final 2024 Outpatient Prospective Payment System rule (required as of July 1, 2024) in the rule's specified format. Most importantly, at a minimum, any definition of accuracy and completeness of data should include an explicit requirement that hospitals are to display all negotiated rates in dollars and cents without exception. Cash prices should also be posted in dollars and cents. Prices should not be posted as algorithms or as a percentage of Medicare, and we are supportive of efforts to rescind Biden Administration guidance providing flexibility in allowing the use of algorithms to display price information. Failure to post prices in dollar amounts should result in compliance reviews and enforcement efforts when appropriate.

## What are your concerns about the accuracy and completeness of the HPT MRF data? Please be as specific as possible.

The Alliance for Fair Health Pricing, a nonpartisan coalition of consumers, patients, and employers focused on making health care more affordable, is concerned about the accuracy and completeness of the hospital price transparency data and the lack of a universal definition of compliance from the Centers for Medicare and Medicaid Services (CMS). In absence of clarity over what compliance (as determined by accuracy and completeness) means, researchers and patient groups have attempted to define compliance themselves over the last few years, conducting independent assessments of compliance that vary widely - from a November 2024 study finding 21.2% of hospitals were fully compliant (Patient Rights Advocate) to earlier studies from Johns Hopkins researchers finding compliance at much higher rates (55% as of June 2022). These studies indicate that compliance - or meaningful compliance - with the price transparency requirements is mixed at best, providing an unclear picture of what compliance actually means. Even when a hospital posts prices, research from the Government Accountability Office found that there is often a failure to post prices for all services offered or for all health plans. Hospitals are also not including prices for all the five required price types (e.g., gross charges, discounted cash prices, payer-specific negotiated charges, de-identified minimum negotiated charges, and de-identified maximum negotiated charges). Other previous research has found that there are inaccuracies in the data, and it continues to be challenging to compare prices across health systems. For example, in 2023, KFF found that the quality of data varies widely, "including some instances with excessively low or high values for negotiated rates that likely stem from errors." Data for hip and knee replacements suggested some hospitals' prices are under \$1,000 while others are more than \$1 million. KFF also found that crucial pieces of information for interpreting these data are often missing as well – including contracting method and payer (commercial, Medicare, Medicaid).

Do concerns about accuracy and completeness of the MRF data affect your ability to use hospital pricing information effectively? For example, are there additional data elements that could be added, or others modified, to improve your ability to use the data? Please provide examples.

The Alliance for Fair Health Pricing, a nonpartisan coalition of consumers, patients, and employers focused on making health care more affordable, believes it is important to have complete and accurate hospital pricing data, as moving towards achieving full transparency of health care prices is a critical step towards increasing competition in the U.S. health care system and ensuring our nation's families receive affordable, high-quality health care. Price transparency pulls back the curtain so that consumers, employers, policymakers, and researchers can see how irrational health care prices have become and take action to rein in pricing abuses.

There are not currently national, comprehensive hospital price data sources beyond the intended Hospital Price Transparency and Transparency in Coverage (TiC) data sets, though there are certain private vendors that have subsets of price and claims information, as well as state All Payer Claims Databases that vary in scope across states. Employers continue to face challenges in accessing their own claims data despite provisions in the Consolidated Appropriations Act of 2021 (CAA) and thus have limited ability to analyze their plan's claims data in conjunction with the price transparency data to ensure they are paying fair prices for health care services. When purchasers can compare their own claims data with hospital and TiC data and independent sources of care quality, they can make meaningful assessments of how to lower their health care costs through contracting and benefit design.

To improve the hospital price transparency data, we strongly encourage the Administration to continue to standardize data reporting and files for hospital prices – including requiring the use of common coding sets (HCPCS, CPT, DRG) instead of facility-specific codes. Additionally, the Administration should require price transparency reporting at the facility (hospital) level, rather than the system level to provide a more complete and accurate picture of hospital prices across the country.

Additionally, to strengthen health price data generally, the Alliance strongly encourages the Administration to pursue efforts to develop a database for collecting data at the federal level that would act as a national All Payer Claims Database, whether administratively or in encouraging the Congress to do so.

Are there external sources of information that may be leveraged to evaluate the accuracy and completeness of the data in the MRF? If so, please identify those sources and how they can be used.

The Alliance for Fair Health Pricing, a nonpartisan coalition of consumers, patients, and employers focused on making health care more affordable, believes it is important to work towards full, eventual compliance and usability of the Hospital Price Transparency (HPT) requirements and Transparency in Coverage (TiC) files for a comprehensive understanding of hospital prices nationally. Ideally, researchers, policymakers, and stakeholders would be able to cross-walk the HPT and TIC files to validate the data, ensure stronger compliance, and further enhance usability of the data, whether in shopping for care and designing benefits, or for future policymaking. The Administration should work to standardize and strengthen the TiC files (e.g., further standardizing the format/labeling of files) in addition to work on the hospital price transparency files. Harmonization of the hospital and TiC files is vital, as they can be used to validate one another and enable purchasers and consumers the ability to investigate why pricing discrepancies exist.

What specific suggestions do you have for improving the HPT compliance and enforcement processes to ensure that the hospital pricing data is accurate, complete, and meaningful? For example, are there any changes that CMS should consider making to the CMS validator tool, which is available to hospitals to help ensure they are complying with HPT requirements, so as to improve accuracy and completeness?

The Alliance for Fair Health Pricing, a nonpartisan coalition of consumers, patients, and employers focused on making health care more affordable, encourages the Centers for Medicare and Medicaid Services (CMS) to continue to publicize information about the status and outcome of compliance actions taken against health systems that fail to meet CMS' definition of compliance. To this end, it would be helpful to establish a more universal definition of "compliance" by CMS to strengthen enforcement and explicitly signal to hospitals, policymakers, and stakeholders what complete and accurate data looks like. We would also encourage the Administration to publicly and regularly release information about how compliance is monitored and assessed, such as the factors examined when compliance reviews are pursued.

To strengthen enforcement, we specifically recommend several changes to the price transparency requirements, including increasing the daily noncompliance penalties (scaled by hospital size; for example, up to \$25 per bed per day for hospitals with 500+ beds), raising the maximum penalties for persistent noncompliance (for example, up to \$10,000,000 for the largest (500+ beds) hospitals), providing the secretary authority to increase penalties over time, and requiring senior health system officials (c-suite) to personally attest to the completeness and accuracy of their data submissions.

Do you have any other suggestions for CMS to help improve the overall quality of the MRF data?

N/A