

A Fifth of US Hospitals Have Been Warned Over Secretive Prices

- HCA and Ascension among those that have had violations
- Records reveal piecemeal progress on making prices clearer



A study published in JAMA Internal Medicine in September showed despite the push for transparency, prices can be exceptionally hard to pin down. *Photographer: Apu Gomes/AFP/Getty Images*

Some of the largest US hospital chains and most prestigious academic medical centers have violated federal rules by not posting the prices

they charge for care, according to records obtained by Bloomberg News.

For-profit [HCA Healthcare Inc.](#), the nation's largest hospital system, and big nonprofit operators including [Ascension](#) and [Trinity Health](#) have been cited for failing to make prices fully available to the public, enforcement letters Bloomberg obtained through a public records request show. So have marquee facilities such as New York Presbyterian Weill Cornell Medical Center, Emory University Hospital and the Hospital of the University of Pennsylvania.

The records reveal the challenges US regulators face as they try to [force long-hidden prices](#) into the open to address decades of [rising medical expenses](#). Since 2021, hospitals have been required to be more transparent about what they charge. However, government data show that among 1,750 hospitals regulators evaluated as of early December, about 1,300 facilities — nearly [20% of the hospitals](#) in the US — have been warned they violated rules.

Most corrected errors after they were pointed out, and officials charged with enforcing the rules say they've seen [more hospitals complying](#). Regulators are also working to make the price data more useful.

“We want to hear from people about what's working and what isn't,” said Meena Seshamani, deputy director of the [Centers for Medicare and Medicaid Services](#) (CMS), in an interview.

Without better access to prices, it's hard for patients to shop around for services. The opacity can even create risks for companies that pay for their employees' care. Employers face [potential legal exposure](#) if they fail to adequately oversee the money they spend in employee health plans.

Critics say CMS still has work to do. A [study](#) published in JAMA Internal Medicine in September showed despite the push for transparency, prices can be exceptionally hard to pin down. Hospitals often give different estimates on their websites than the amounts they quote to patients over the phone, the researchers said.

“As long as hospitals and insurance companies hide their prices, they can charge whatever they want,” said Cynthia Fisher, founder of Patient Rights Advocate, a nonprofit that has promoted the transparency policies. “And they are.”

Thousands of Hospitals

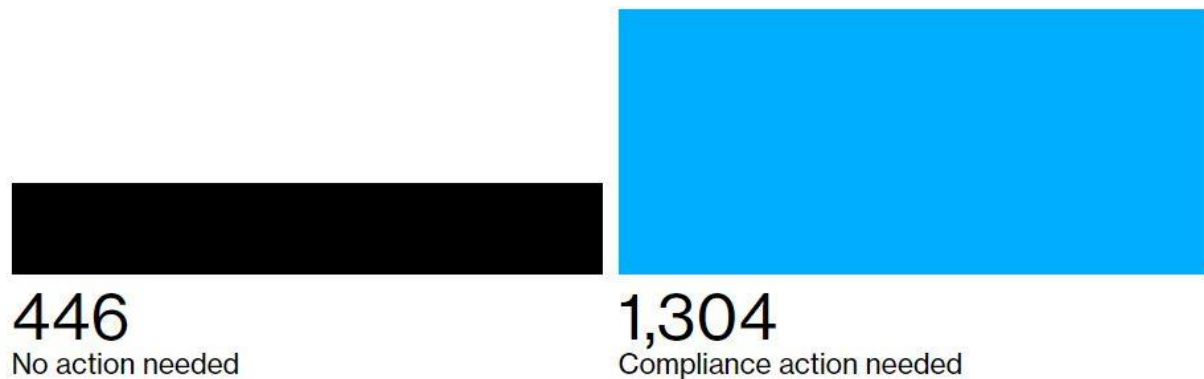
The Trump administration launched the price transparency rule, and the policy survived legal challenges from the hospital industry. Since it took effect nearly three years ago, hospitals have been required to post files online that show their cash prices for many services, along with the payment rates they negotiate with private insurers.

The initial fines for not complying were low. CMS raised the maximum penalty to \$2 million starting in 2022, boosting compliance. But the information is often inconsistent and hard for patients to navigate, and challenging even for experts.

Fourteen hospitals have been [publicly penalized](#) after being warned about transparency rule violations, and together have been fined about \$4 million. Those facilities were only a fraction of those that have received letters or requests to fix violations.

Most Hospitals the Government Reviewed Had Violations

CMS has warned more than a thousand hospitals on price transparency



Source: Centers for Medicare and Medicaid Services

Note: numbers reflect reviews completed as of early December 2023

The records obtained by Bloomberg showed some of the violations went to hospitals belonging to the following systems:

- HCA Healthcare
- Ascension
- CommonSpirit Health
- Trinity Health
- Providence
- SSM Health
- Steward Health Care
- NewYork-Presbyterian
- Emory University Hospital
- Hospital of the University of Pennsylvania

- Northwell Health
- Baylor Scott & White Health
- Memorial Hermann Health System

The vast majority of those violations have been corrected, according to the records.

Bloomberg reached out to all the hospital systems named above. Those that responded said they are committed to improving transparency and will continue to ensure patients have access to the most current pricing information so they can make informed health-care decisions.

Government Reviews Have Resulted in Compliance Actions

CMS has reviewed more than 1,750 hospitals as of early December 2023

Compliance Action	Number
Warning notices sent	1,025
Corrective Action Plan requests sent	704
Civil Monetary Penalties issued	14

Source: Centers for Medicare and Medicaid Services

Note: numbers reflect reviews completed as of early December 2023

Other hospitals said CMS had flagged minor violations, like files with formatting issues that were made in the early days of the program when hospitals were still learning how to navigate the new rules.

The government has yet to check whether thousands more are complying with the rules.

Slow Progress

CMS is [tightening enforcement](#) of existing rules and aims to make price information more useful. Meanwhile, new legislation to strengthen transparency rules [passed the US House this month](#) with wide bipartisan support.

Consumers, employers and researchers benefit from the data, CMS' Seshamani said. Insurance companies have used it to “identify hospitals that are cost outliers” and renegotiate contracts, she said.

Some critics say medical facilities are still dragging their feet. They've also argued that even hospitals that CMS deems compliant may not be providing useful information for companies and patients trying to understand their costs.

“Having a file on your website with partial or incomplete information doesn't help an employer understand how their insurance competes,” Patient Rights Advocate's Fisher said.

Hospitals are working with CMS to adhere to the rules, said Ariel Levin, director of policy at the American Hospital Association. However, some requirements are hard to meet because prices are determined by complicated formula, and in recent years health-care facilities were preoccupied with the Covid-19 crisis.