

# GAO Highlights

Highlights of [GAO-25-106995](#), a report to the Committee on Energy and Commerce, House of Representatives

## Why GAO Did This Study

Rising prices for hospital services have contributed to a nearly 50 percent increase in private health plan spending from 2012 through 2022. In response to a statutory requirement intended to help lower costs, CMS began requiring hospitals to post their prices in 2021. In 2024, CMS updated its requirements to address some challenges with using the pricing data.

GAO was asked to review CMS's implementation of hospital price transparency requirements. In this report, GAO (1) describes users' experiences with hospital pricing data prior to CMS's 2024 updates; (2) describes the 2024 updated requirements; and (3) examines CMS's enforcement of the requirements.

GAO reviewed relevant laws and regulations; CMS documentation; relevant studies; and comments on CMS's updated 2024 requirements. GAO analyzed CMS enforcement actions taken against hospitals from 2021 through 2023. GAO also interviewed officials from CMS, the American Hospital Association, and 16 stakeholder organizations representing data users, including health plans, patients, and researchers. GAO selected these stakeholders based on their knowledge of hospital pricing data use, among other factors.

## What GAO Recommends

GAO is making one recommendation for CMS to assess whether hospital pricing data are sufficiently complete and accurate to be usable, and to implement any additional enforcement activities as needed. The Department of Health and Human Services agreed with the recommendation.

View [GAO-25-106995](#). For more information, contact Leslie V. Gordon at (202) 512-7114 or [GordonLV@gao.gov](mailto:GordonLV@gao.gov).

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## HEALTH CARE TRANSPARENCY

### CMS Needs More Information on Hospital Pricing Data Completeness and Accuracy

## What GAO Found

In 2021, the Centers for Medicare & Medicaid Services (CMS) implemented a statutory requirement for hospitals to publicly post their prices. Hospitals have historically provided limited pricing information. By making them post a file with prices on their websites, CMS intends to make information available that could be used to help increase competition and thereby lower prices. For example, pricing data could help health plans negotiate prices more effectively.

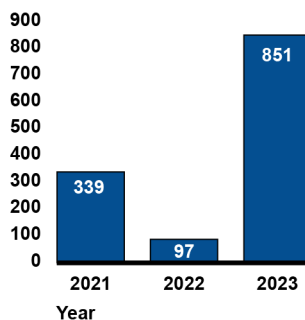
Various challenges have limited the usability of hospital pricing data, according to 16 selected stakeholders representing users of the data, such as health plans and researchers. Describing experiences prior to CMS's 2024 updates to the requirements, stakeholders told GAO that inconsistent file formats, complex pricing, and perceived incomplete and inaccurate data have impeded price comparisons across hospitals and prevented large-scale, systematic data use.

CMS updated price transparency requirements for 2024 to address some of the challenges with using hospital pricing data. For example, CMS required hospitals to post pricing data using a standardized file format as of July 1, 2024. CMS also required hospitals to affirm the completeness and accuracy of their data.

CMS checks whether hospitals have included information for the required data points and takes enforcement actions against hospitals that do not comply, such as issuing warning notices detailing compliance deficiencies to be corrected. CMS initiated 1,287 enforcement actions from 2021 through 2023, with 851 of the actions initiated in 2023. As part of these enforcement actions, CMS issued over \$4 million in civil monetary penalties to 14 hospitals that did not take timely corrective action.

**GAO Count of CMS Hospital Price Transparency Enforcement Actions, 2021-2023**

Number of enforcement actions



Source: GAO analysis of Centers for Medicare & Medicaid Services (CMS) documentation. | [GAO-25-106995](#)

However, CMS does not have assurance that pricing data hospitals report are sufficiently complete and accurate, and CMS has not assessed such risks to determine if additional enforcement actions are needed. Without an assessment, CMS does not know whether the data are usable to help increase competition. While CMS officials stated that they do not have the resources to check the accuracy and completeness of all hospital pricing data, the agency has cost-effective enforcement options it could consider, if needed, such as using risk-based or random sampling.