

July 21, 2023

Executive Committee
National Council of Insurance Legislators
616 5th Avenue, Suite 106
Belmar, New Jersey 07719

Re: Hospital Price Transparency Model Act

Dear National Council of Insurance Legislators Executive Committee Members:

Hospitals and health systems are committed to empowering patients with all the information they need to live their healthiest lives. This includes ensuring they have access to accurate price information when seeking care. Hospitals and health systems are working to comply with both state and federal price transparency policies, which are varied and sometimes conflicting. At the federal level, these include the hospital price transparency requirements, including machine-readable files of all gross charges, negotiated rates, and discounted cash prices, and the No Surprises Act good faith estimates for most scheduled services. These policies, coupled with similar requirements on the insurers, have significantly changed the landscape for patients looking for information on the price of care. Separately, a number of states have also moved to adopt transparency requirements for hospitals and health systems.

Unfortunately, the numerous regulations and legislation result in information that can be confusing and hard to navigate for patients. In addition, instead of lowering costs, these policies have actually added unnecessary cost and burden on the health care system. Adding additional state level policies will only exacerbate these concerns, particularly as the federal policies continue to evolve. **The AHA therefore recommends NCOIL not move forward with the model state hospital price transparency legislation.**

Despite disingenuous reports on hospital compliance with the federal hospital price transparency requirements, the federal government has found that the vast majority of hospitals are complying. **Additional state policy is not necessary and could work against efforts to ease patients' experience of understanding their health care costs.** CMS has a process in place to ensure hospital compliance with the Hospital Price Transparency Rule through an internal audit process and by responding to public complaints and reviewing third-party compliance assessments. The agency [found that](#)



[in 2022](#), 70% of hospitals complied with both components of the Hospital Price Transparency Rule, including the consumer-friendly display of shoppable services information, as well as the machine-readable file requirements. This is an increase from 27% in 2021. Moreover, when looking at each individual component of the rule, 82% of hospitals 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). In addition to the CMS report on compliance, we would draw your attention to a recent [report](#) from Turquoise Health that found about 84% of hospitals had posted a machine-readable file containing rate information by the end of first-quarter 2023, up from 65% the previous quarter.

The AHA looks forward to additional opportunities to work with NCOIL and other interested parties to ensure patients can access the information they need prior to care. At this point, that can best be done by streamlining the many federal and state efforts already at play, rather than creating new, redundant policies. Please contact me or have a member of your team contact Ariel Levin, AHA director of policy, at alevin@aha.org with any questions.

Sincerely,

/s/

Ashley Thompson
Senior Vice President
Public Policy Analysis and Development