May 4, 2021

On Jan. 1, 2021, the hospital price transparency rule took effect, requiring hospitals and health systems to make public all standard charges, as well as 300 shoppable services in a consumer-friendly format. See IHA’s summaries (here and here) as well as an IHA webinar recording for more information.

Earlier this week, the Centers for Medicare & Medicaid Services (CMS) confirmed that it began proactive audits of hospitals websites, as well as reviews of complaints submitted through the CMS Hospital Price Transparency website. Audits began with large acute care hospitals, but CMS is now auditing a random sample of all acute care hospitals. CMS sent the first set of warning letters to non-compliant hospitals the week of April 19, and intends to continue to sending warning letters on a rolling basis.

CMS will not publicize the names of hospitals that received warning letters, but it will identify hospitals that remain out of compliance and receive a civil monetary penalty on its website.

Hospitals have 90 days to become compliant on issues identified in warning letters. CMS will re-review hospitals for compliance at the end of 90 days, and will either close out the case, issue a second warning letter or request a corrective action plan. Hospitals that remain noncompliant may be issued a civil monetary penalty of up to $300 per day.

More information can be found on the CMS Hospital Price Transparency website. Questions may be sent to CMS at PriceTransparencyHospitalCharges@cms.hhs.gov. Please send additional questions and comments to IHA.