



Charlene MacDonald
Executive Vice President, Public Affairs


**STATEMENT
of the
Federation of American Hospitals
to the
U.S. Senate Special Committee on Aging
hearing on "Modernizing Health Care: How Shoppable Services
Improve Outcomes and Lower Costs."
October 22, 2025**

The Federation of American Hospitals (FAH) submits the following statement for the record in advance of the Senate Special Committee on Aging hearing on "Modernizing Health Care: How Shoppable Services Improve Outcomes and Lower Costs." As the national representative of more than 1,000 leading tax-paying hospitals and health systems throughout the United States, we strongly support efforts to improve health care transparency and empower patients with actionable information. Hospitals have been committed partners in implementing federal price transparency requirements, investing significant resources to comply with evolving regulations issued by the Centers for Medicare & Medicaid Services (CMS).

The FAH supports the goal of ensuring that patients have access to clear, accurate and actionable cost-sharing information. Providing this information empowers patients to make more informed decisions about their health care. Since the issuance of the 2019 Executive Order on price transparency, hospitals have undertaken a vast modernization effort to make pricing more accessible and understandable for patients. This effort has evolved from posting gross charges to publishing complex, standardized data files that detail negotiated rates with insurers, discounted cash prices, and estimated allowed amounts in a usable format. Further, our members have developed price estimator tools to help patients plan for their care and expanded resources to connect families with financial assistance programs. These advances have required significant new investments in staff, technology, and vendor support. While CMS initially projected hospitals would spend roughly \$250 million on compliance from 2020 to 2025, actual investments have far exceeded that figure—particularly for hospitals that stepped up early to meet changing federal rules and lead the way on transparency.

We appreciate the current Administration's results-oriented approach and active engagement with hospitals when it comes to compliance with transparency regulations. FAH members report that CMS is expeditiously closing enforcement actions when an appropriate corrective action plan has been initiated and completed. Some of these enforcement matters involve simple issues like unexpected website glitches, and CMS' approach to these cases has ensured that access to a compliant machine-readable file is restored quickly through a cooperative enforcement process. The current enforcement approach also maximizes compliance by including critical opportunities for education. In particular, initial warning letters have opened up cooperative dialogue between hospitals and CMS that allow both to develop a more sophisticated understanding of hospital pricing and price transparency. This process also provides the most expeditious path to promptly resolve minor and inadvertent issues with machine-readable files. The FAH recommends maintaining the current orientation toward education and impactful results in monitoring and enforcement activities.

Given the significant progress hospitals have already made—and with new federal transparency requirements taking effect on January 1, 2025—the FAH urges policymakers to support a period of regulatory stability. Constantly changing



rules create unnecessary costs and administrative burdens that pull resources away from patient care, without meaningfully improving the information patients receive. Stability will allow hospitals to strengthen existing systems, enhance data accuracy, and make the most of the substantial investments they have already made—all while confronting financial pressures, cybersecurity risks, and the growing costs of caring for the uninsured.

The FAH also calls on Congress and CMS to bring balance to transparency efforts by ensuring that health plans meet the same high standards now expected of hospitals. The Transparency in Coverage Rule was designed to provide a full picture of health care pricing, but enforcement and oversight of payer data have fallen behind. Modernizing these requirements—so that payer data is complete, accurate, and includes qualifying payment amounts under the No Surprises Act—is critical to achieving our shared goal of promoting transparency and shoppability. A balanced approach that includes both providers and payers is in the best interest of patients, employers, and taxpayers.

Hospitals have not just complied with transparency regulations—our members have built the infrastructure that makes price transparency real for patients. We look forward to working with Congress to ensure the successful implementation of transparency measures across the health care system.