

Advancing Health in America

Washington, D.C. Office 800 10th Street, N.W. Two CityCenter, Suite 400 Washington, DC 20001-4956 (202) 638-1100

Statement of

Ariel Levin

Director of Coverage Policy and State Issues

American Hospital Association

for the

Senate Committee on Health Care

of the

Oregon State Legislature

RE: Senate Bill 1060, Relating to standard charges established by a hospital

March 27, 2025

Chair Patterson, Vice Chair Hayden, and members of the Committee, for the record my name is Ariel Levin, and I am the Director of Coverage Policy and State Issues for the American Hospital Association, representing nearly 5,000 hospitals and health systems across the country. In this role, I am responsible for the price transparency portfolio and have immense knowledge of the federal price transparency policies.

The Hospital Price Transparency regulations went into effect on January 1, 2021. Since then, CMS has made several changes to the requirements and their enforcement efforts. Based on a recent executive order by the Trump Administration, we expect additional changes to the requirements over the next several months and increased enforcement.

CMS has dedicated significant resources to auditing and enforcing compliance. CMS reports taking over 17,000 enforcement actions since Q4 of 2023, with the number of actions increasing each quarter.¹ At this point the issues identified by CMS are typically fairly minor, such as broken weblinks, and CMS and the hospitals are able to quickly

¹ <u>https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/hospital-price-transparency-enforcement-activities-and-outcomes</u> (Accessed March 27, 2025)



work together to resolve the issue. Unsurprisingly, these enforcement actions have only resulted in 24 civil monetary penalties.²

There was a steep learning curve for both hospitals and CMS auditors, but those issues have largely resolved, in part due to the new standardized format and validation tools that went into effect last year. These changes also made it easier to automate audits. Just last month, CMS announced they were "planning a more systematic monitoring and enforcement approach"³ and we have since seen an increase in audits that appear to be done, at least in part, through the use of AI.

Given this activity, additional enforcement at the state level is not only not necessary at this time, but it could be counterproductive.

Where states have an immediate opportunity is in monitoring and enforcing the Transparency in Coverage requirements, also known as the insurer transparency rule. Not only does oversight of this rule fall under state jurisdiction but insurer data has greater potential to be meaningful to patients and other stakeholders given its scope beyond hospitals and inclusion of out-of-network allowed amounts. However, the lack of enforcement has led to serious issues rendering the data fairly unusable.

Finally, it is important to convey that the organization behind advocacy for this bill, Patient Rights Advocates, has a history of blatantly false and misleading reports on hospital compliance with the federal transparency requirements. They have engaged in both a national and state-level effort to promote state-level policy that is uniformed and therefore unhelpful to the needs of Oregonians.

² <u>https://www.cms.gov/priorities/key-initiatives/hospital-price-transparency/enforcement-actions</u> (Accessed March 27, 2025)

³ https://www.cms.gov/files/document/mln7215754-hospital-price-transparency.pdf