

Trump order seeks disclosure of hospital prices

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President Donald Trump will sign an executive order Monday that calls for upfront disclosure by hospitals of actual prices for common tests and procedures to help keep costs down, administration officials said.

Health and Human Services Secretary Alex Azar told reporters the idea is to give patients practical [information](#) that they can use to keep [costs](#) down. For example, if a hospital charges your insurer \$3,500 for a type of echocardiogram and the same test costs \$550 in a doctor's office, you might go for the lower-price procedure to save on copays.

Trump's order will also require that patients be told ahead of time what their out-of-pocket costs like deductibles and copays will be for many procedures. It "will put patients in charge and address the drivers of high health care costs...increasing choice and competition," Azar said.

But little will change immediately. The executive order sets in motion a rule-making process by federal agencies, which typically takes months or even years. The details of what information will have to be disclosed and how it will be made available to patients must be worked out as part of writing the regulations. That will involve a complex give-and-take with hospitals and others industries affected. Consumers will have to wait to see whether the results live up to the administration's promises.

Lack of information on health care [prices](#) is a widespread problem . It's confusing for patients, and experts say it's also one of the major factors that push up U.S. costs. The same test or procedure, in the same city, can cost widely different amounts depending on who is performing it and who is paying the bill. Some [insurance companies](#) now publish prices for common procedures like MRI tests on their websites.

But some in the health industry are concerned about the Trump administration's approach, which would require disclosure of negotiated prices. They say it would force them to release contractual information that's considered tantamount to trade secrets. While the prices Medicare pays are publicly available, private insurers' negotiated rates generally are not.

Azar pushed back against that argument, saying insurers do ultimately disclose their payment rates when they send individual patients an "explanation of benefits." That's the technical term for the form that patients get after they've had a procedure or seen the doctor.

"Every time one of us goes to a hospital, within a couple of weeks there arrives an explanation of benefits that contains the list price, the negotiated price, and your out-of-pocket cost," Azar explained. "This is not some great state secret out there." He said "that information is out there, it just needs to be presented to patients at the right time, in the right format, so it can help drive decision-making for them."

Trump's executive order also calls for:

- Expanded uses for health savings accounts, a tax-advantaged way to pay health care bills that has long been favored by Republicans. Coupled with a lower-premium, high-deductible insurance plan, the accounts can be used to pay out-of-pocket costs for routine medical exams and procedures.
- A plan to pull together the government's various health care quality rating systems for hospitals, nursing homes, and Medicare Advantage plans.
- Expanding access by researchers to [health](#) care information, such as claims for services covered by government programs like Medicare. The data would be stripped of details that could identify individual [patients](#).

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