



Hospital Prices and Transparency

By Sarah DeDonatis

Historically, when someone is in need of a hospital whether for tests, treatment or critical care, the charges remained a mystery until after the services were rendered. During emergent medical care it is understandable that prices are not the primary focus, life-saving care is paramount to costs. In cases where the surgery, test or procedure is scheduled, it would be empowering for the consumer to receive costs up front and perhaps even choose a hospital based on price and reputation. Medical payments used to be easier for the consumer with a preassigned co-pay; then things changed. Insurance programs began to cover less costs, making co-pays higher and additional fees billed directly to the consumer a regular occurrence. These hidden costs cause financial strain on recipients of care and a distrust in the healthcare system. Consumers deserve to be given the financial charges upfront for routine services. The Hospital Price Transparency Initiative is such an important piece of legislation, because it promotes consumer empowerment by imposing mandates on hospitals to clearly post pricing on a set number of services.

In an effort to provide the best care possible and to be upfront and honest, price transparency for a large number of routine services is now required for every medical center in the United States. As discussed in an article by Pollack (2022) having a set price point for services will help consumers make the best decisions for themselves. This transparency benefits the healthcare provider as well wherein they budget more efficiently with an expected revenue. Providers also find benefit by researching their competitors to create price points that attract potential patients. A direct benefit to hospitals trying to make their prices competitive to encourage growth, is less cost to the consumer. Pollack discusses

the unfair charges some providers set for different insurance companies and those without insurance. The article argues that sometimes the prices differ by hundreds of dollars for the same procedure. With transparency, these overages will not be allowed saving not only the recipient of care but the tax payer as well.

It is important to understand that going to the lowest bidder with your healthcare is not always the best policy. What is important is knowledge. When care is received in a hospital and there are charges that a patient was not aware of, this can cause financial troubles. There is no preparing for that. Having a light shined on the costs billed by hospitals, of certain routine treatments, provides knowledge and empowerment to the consumer. If someone were to hire a company to replace the roof on their home, it is not always the cheapest roofer that is hired. The focus is contracting with a good company, who won't break the bank, resulting in a roof that lasts decades. This same thought process should be what consumers adopt for their healthcare.

The Hospital Price Transparency Initiative was adopted in [2019](#), became functional in 2021 and has been expanded as of February of [2025](#). This ensures that hospitals provide charges to a number of services, tests and diagnostic exams that are standard, allowing consumers the ability to price check and "shop" providers for the best care and reasonable charges. Although helpful, knowing that each hospital website provides prices, the thought of doing the needed research whilst dealing with a possible health issue can be daunting. The responsibility placed on the consumers shoulders to search and compare hospital prices was something that the federal government took into consideration.

To simplify comparison, the Centers for Medicare and Medicaid services created a usable and searchable online database on their website, medicare.gov. The website is the [Care and Compare Tool](#). The site is not limited to hospitals but also covers other services such as physicians, long-term care and rehabilitation facilities to name a few. You simply type in your ZIP Code or address and after clicking what type of service you're looking to compare, you are sent to a page with options. There are clear reviews of each facility from consumer and professional viewpoints. This site lets you compare up to three different providers at a time. You can also set the distance you are willing to travel and much more. The page was surprisingly very well laid out, easy to navigate and understand.

A word of caution. Now that this hospital transparency program is more popular and usable, there may be outside companies who provide searchable websites for consumers to price compare hospitals. Be aware that not all websites who offer these services have oversight, which means it is possible they are sharing outdated or incorrect data. Always search a trusted source such as the one linked above in this article to ensure up-to-date pricing is provided. Sites through the federal government and the Centers for Medicare and Medicaid services are always good sources.

With the new upgrade of the Hospital Price Transparency Initiative, it will be interesting to see the

outcomes over time. Should the consumer continue to utilize their financial power by choosing better hospitals, will we see hospitals with bad reputations close, or an overall increase in quality of care throughout the medical care system? Only time will tell.

References:

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About the Author: Sarah DeDonatis is a licensed nursing home administrator, author, speaker, blogger and voice over actress. Her undying dedication to the empowerment of senior citizens, their families and those working in the long-term care field propel her to share information and support to those who do the toughest jobs. She writes on all things 50 years old and older, with a focus on safety, security, long-term care resident information and supports and services for people who love seniors. To contact Sarah for an article, presentation or other service, please email: web@thinksarah.com.

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