

TO: Members of the Wisconsin State Legislature

FROM: Eric Borgerding, President & CEO
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DATE: June 5th, 2025

SUBJECT: Wisconsin Hospitals Need Relief, Not More State Regulations – Oppose LRB 1381/1

Today, a version of previously failed legislation was circulated by Senators Bradley and Felzkowski and Representatives Wittke and Donovan that would create state-level regulations and bureaucracy related to hospital price transparency, when comprehensive federal regulations, being rigorously enforced by the [Trump Administration](#), already exist.

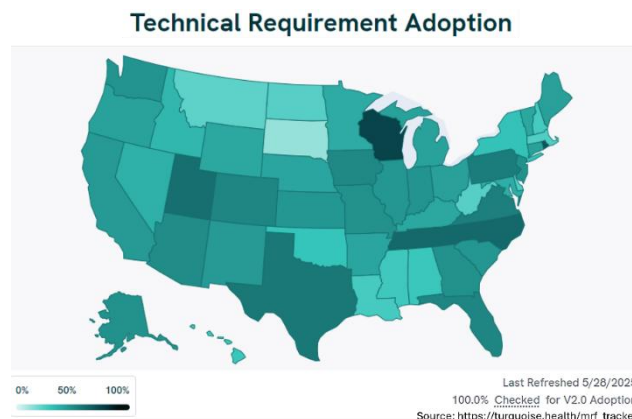
This legislation died last session because it was based on an inaccurate premise that Wisconsin hospitals were intentionally defying federal regulations, claims still being made today. These claims are inaccurate and do not justify creating more state-level price transparency onto Wisconsin hospitals. [Here are the facts](#).

Wisconsin Hospitals Lead the Country in Compliance with Federal Price Transparency Regulations

Since 2021, Wisconsin hospitals (along with insurers and self-funded employers) have been required to comply with robust [federal price transparency regulations](#). The Centers for Medicare and Medicaid Services (CMS) publicly posts names of hospitals that have been issued fines for non-compliance (none in Wisconsin) and now lists when a hospital has received a warning and the actions that CMS has taken. **This [database](#) includes thousands of entries by CMS for warning letters and follow-up action by hospitals.**

Lawmakers should be proud of the rankings Wisconsin hospitals have achieved and the commitment to compliance hospitals have made.

According to Turquoise Health, one of the nation's leading private-sector users of hospital price transparency data, adherence to federal regulations by Wisconsin's hospitals continues to be among the best in the country. This image is from a recent state-by-state analysis conducted by Turquoise regarding new technical specifications effective July 1, 2024, including website locations for patients to access price transparency information and aligning a hospital's file with CMS' new schema. **According to Turquoise, Wisconsin already performs better than any state that has passed duplicative state-level transparency legislation.**¹



¹ <https://turquoise.health/tqu/state-level-price-transparency-legislation/>

Like any new regulation, it takes time for a regulated industry to understand what government regulators view as “compliant”, especially in a changing industry like healthcare. Additionally, no industry can claim 100% compliance on any substantive federal regulation. As expected, recent updates to this rule by CMS were aimed at achieving better alignment between hospitals and evolving with feedback CMS received by hospitals and other stakeholders. CMS requires hospitals post “machine readable files” which can be very complex due to the sheer number of procedures and codes that any one hospital may bill. For example, one Wisconsin health system has publicly stated that their files included 2 million cells with over 64,000 different services.

The most significant objection by WHA to creating another state-level price transparency bureaucracy, on top of existing federal regulations, is the complexity and confusion caused by two separate enforcement agencies. Any business can appreciate, and business groups frequently lobby for, reducing regulatory burden on their industries. The federal government already has a process to enforce price transparency regulations and **encourages patients to proactively submit complaints** if they believe their hospitals are non-compliant.

Further, the federal hospital price transparency rules are constantly changing. Since the rules went into effect on January 1st, 2021, they have been revised and added to several times, including:

- Hospitals must affirm data is complete, accurate and submitted in good faith – January 1, 2024
- Addition of “Price Transparency” link in the footer of the hospital homepage – January 1, 2024
- Addition of a .txt file in the root folder of a hospital website with specific information – January 1, 2024
- Development and use of a standardized CMS template (CSV or JSON) for MRFS – July 1, 2024
- Hospitals must calculate and display an estimated allowed amount when negotiated rates are based on a percentage or algorithm – January 1, 2025
- Hospitals must include drug unit of measurement, drug type of measure and modifiers to billing variations - January 1, 2025
- President Trump issues [new executive order](#) on price transparency, with new directives to implement and enforce hospital and insurer price transparency regulations – February 25, 2025
- Changes to the estimated allowed amount data field – May 22, 2025

State legislation based even loosely upon federal rules will become obsolete with the inevitable next federal rule change or update.

See Hospital Price Transparency for Yourself

The best way to understand how hospitals comply with federal price transparency regulations is to see it firsthand, either through [WHA’s Price Finder](#) tool or in-person. Any hospital in Wisconsin will gladly demonstrate to you their efforts to comply with federal price transparency regulations, but more importantly, introduce you to the frontline staff who help patients navigate the healthcare payment system. To setup a meeting with your local hospital, contact Kyle O’Brien, WHA SVP Government Relations, at kobrien@wha.org.

Every hospital employs financial counseling staff who assist patients in understanding what programs they may be eligible for to reduce their out-of-pocket costs. Oftentimes, these same financial counseling staff advocate for patients with insurance companies that might otherwise deny their care. Any policy discussion regarding price transparency in healthcare **must** include insurance companies, third-party administrators (TPAs), pharmacy benefit managers and other middlemen in the healthcare system.

Wisconsin hospitals and CMS have done far more to advance price transparency in the last year alone than the handful of groups in Wisconsin that will be echoing the tired call to do “more on hospital price transparency,” while conspicuously ignoring compliance with federal price transparency requirements for health insurers, TPAs and other middlemen.

Where Should Lawmakers Focus?

As it became abundantly clear during the public hearing on 2023 Senate Bill 328 ([see WHA testimony here](#)), the lack of transparency between employers, who have been forced to [sue their own insurance companies or third-party administrators](#) to get their information, and insurers/TPAs is where lawmakers should focus their concern about lack of enforcement.

Below is an actual experience from a provider, in April of this year, who attempted to file a complaint about insurer compliance with their price transparency mandates:

“Under Federal Transparency in Coverage regulations, plans and issuers are required to disclose in-network provider negotiated rates and other pricing information. Plans and providers are both supposed to publish actual dollar amounts for said negotiated rates. CMS is supposed to be the agency overseeing and enforcement of [insurance company compliance with] Transparency in Coverage (“TiC”), specifically the [Transparency in Coverage Final Rule](#).

In trying to file a complaint with CMS, the only online forms were for complaints of hospitals not publishing rates. I contacted the rep from [CMS] Region V and asked if she could advise me as to where I may be able to file a complaint and her response was that price transparency applies only to providers, not insurers (WRONG). I called a CMS 800 number for No Surprise Billing and while the person I spoke to at least acknowledged that TiC does exist, she said that CMS doesn’t enforce it...”

We have heard over and over that Wisconsin needs state-level, hospital-only price transparency regulation because CMS is not enforcing the federal rule. Clearly, where CMS is not enforcing the rules is on insurers. This legislation focuses on the wrong industry.

WHA asks you to oppose LRB 1381/1.