

LEGAL UPDATE



KEY POINTS

- Trump has issued an EO directing federal agencies to issue new guidance to improve health care price transparency.
- According to the EO, progress on health care price transparency at the federal level has stalled since the end of Trump's first term.
- Although most employers rely on their issuers or third-party administrators to satisfy many transparency requirements, employers should still monitor this topic for additional guidance from federal agencies.

Executive Order Directs Federal Agencies to Improve Health Care Price Transparency

On Feb. 25, 2025, President Donald Trump issued an executive order (EO) titled [Making America Healthy Again by Empowering Patients With Clear, Accurate, and Actionable Healthcare Pricing Information](#). By making more meaningful price information available to patients, this EO aims to promote a more competitive, innovative, affordable and higher-quality health care system.

Health Plan Price Transparency

In response to an executive order issued by Trump in 2019, the Departments of Labor, Health and Human Services, and the Treasury (Departments) issued a [final rule](#) in November 2020 that imposed new transparency requirements on group health plans and health insurance issuers. The final rule requires health plans and issuers to comply with the following price transparency disclosures:

- **Machine-readable files (MRFs):** Effective July 1, 2022, health plans and issuers must disclose detailed pricing information in three MRFs on a public website. These MRFs provide information on negotiated rates for in-network providers, billed charges and allowed amounts from out-of-network providers and negotiated rates and prices for prescription drugs. However, enforcement of the MRF related to prescription drug costs has been delayed; and
- **Self-service price comparison tool:** Health plans and issuers must make an internet-based self-service tool available to participants, beneficiaries and enrollees to disclose the personalized price and cost-sharing liability for covered items and services, including prescription drugs. For plan years beginning on or after Jan. 1, 2023, price comparison information was required for 500 items and services. For plan years beginning on or after Jan. 1, 2024, price comparison information must be available for all covered items and services.

The EO

The EO states that progress on health care price transparency at the federal level has stalled since the end of Trump's first term. To ensure that patients have the information they need to make well-informed health care decisions, the EO directs the Departments to take the following actions within 90 days:

- Require the disclosure of actual prices of items and services, not estimates;
- Issue updated guidance or proposed regulations ensuring pricing information is standardized and easily comparable; and
- Issue guidance or proposed regulations updating enforcement policies designed to ensure compliance with the transparent reporting of complete, accurate and meaningful data.