



Office of the Chairman

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

October 5, 2026

Via Federal Express

[Company]
[Attn: Name]
[Address]

Re: Letter Regarding Hospital Price Transparency

Dear [Name],

The Federal Trade Commission (“FTC”) understands that [Company] operates healthcare facilities in the United States. As the Chairman of the FTC, I write to inform you of your price-transparency obligations under the Federal Trade Commission Act (“FTC Act”). Specifically, Section 5 of the FTC Act requires you to provide patients with timely, accurate, and complete pricing for healthcare services, especially for non-emergency services that are scheduled in advance. I encourage you to conduct a comprehensive review of your pricing practices and, to the extent you determine that they do not comply with Section 5 as explained in this letter, take corrective action swiftly. The FTC is sending similar warning letters to other healthcare-service providers.

The FTC is the federal agency responsible for protecting American consumers from deceptive, unfair, and anticompetitive business practices. As part of that mission, the FTC brings law enforcement actions and educates businesses, industries, and market participants about compliance with the laws and rules it enforces. Section 5 of the FTC Act prohibits unfair or deceptive acts or practices.¹ A representation or omission is deceptive under the FTC Act if it is material and would likely mislead consumers acting reasonably under the circumstances.² An act or practice is unfair if it causes or is likely to cause substantial injury to consumers that cannot reasonably be avoided, and that injury is not outweighed by countervailing benefits to consumers or competition.³ In exercising its enforcement authority under Section 5, the FTC is particularly focused on protecting vulnerable populations, including rural Americans, seniors, and veterans, many of whom lack access to affordable and transparent healthcare. Accordingly, the FTC

¹ 15 U.S.C. § 45(a).

² See Fed. Trade Comm’n, Policy Statement on Deception, appended to *In re Cliffdale Assocs., Inc.*, 103 F.T.C. 110 (1984). Among other requirements, the FTC Act requires that representations be truthful and non-misleading. See *FTC v. Direct Mktg. Concepts, Inc.*, 624 F.3d 1, 8 (1st Cir. 2010).

³ 15 U.S.C. § 45(n); see Fed. Trade Comm’n, Policy Statement on Unfairness, appended to *Int’l Harvester Co.*, 104 F.T.C. 949 (1984).

established a Healthcare Task Force earlier this year to engage in a coordinated, integrated approach to healthcare enforcement and advocacy to protect patients, healthcare workers, and taxpayers.⁴

One of the Trump FTC's enforcement priorities is ensuring that pricing is transparent and truthful. The FTC has prioritized promoting price transparency across multiple markets, including rental housing,⁵ ticketing and hotels,⁶ grocery delivery services,⁷ and auto sales and leasing.⁸ When consumers do not know the true price of a product or service, consumers and competition suffer: Consumers cannot compare merchants' offerings and make informed decisions, businesses trying to deal honestly and transparently with consumers are put at a competitive disadvantage, and the market cannot operate efficiently.

Price transparency is particularly critical in the hospital and healthcare setting because healthcare is often one of the most significant and financially burdensome costs consumers face. Patients frequently must invest substantial time and effort to travel for in-person visits, making it even more important that they understand costs upfront before committing to care. Moreover, hospitals and healthcare facilities can charge dramatically different prices for the same services, leaving consumers vulnerable to wide and often unexpected cost discrepancies.

This is why the Trump-Vance Administration has focused on improving affordability and price transparency for healthcare services. Executive Order 13877 (2019), issued during President Trump's first term, directed the Department of Health & Human Services to require that hospitals publicly disclose pricing information for shoppable services through a consumer-friendly display and in machine-readable format ("MRF") to support consumer decision-making.⁹ Following Executive Order 13877, the Centers for Medicare & Medicaid Services ("CMS") issued the Hospital Price Transparency rule, effective January 1, 2021, requiring hospitals to publish pricing information, including for certain shoppable services.¹⁰ The Trump-Vance Administration has taken further strides to promote price transparency through Executive Order 14221 (2025), which directs relevant cabinet secretaries to take all necessary actions to require disclosure of actual prices, not merely estimates, and standardization of how pricing information is presented across hospitals and health plans.¹¹ CMS then expanded price-

⁴ See Fed. Trade Comm'n, FTC Chairman Andrew N. Ferguson Launches Healthcare Task Force (Mar. 20, 2026), <https://www.ftc.gov/news-events/news/press-releases/2026/03/ftc-chairman-andrew-n-ferguson-launches-healthcare-task-force>.

⁵ E.g., Complaint, *FTC v. Greystar Real Estate Partners*, No. 1:25-cv-00165 (D. Colo. Jan. 16, 2025).

⁶ E.g., Complaint, *FTC v. Live Nation Ent.*, No. 2:25-cv-8884 (C.D. Cal. Sept. 18, 2025); see also Trade Regulation Rule on Unfair or Deceptive Fees, 16 C.F.R. pt. 464 (effective May 5, 2025).

⁷ E.g., Complaint, *FTC v. Instacart*, No. 3:25-cv-10783 (N.D. Cal. Dec. 18, 2025).

⁸ E.g., Complaint, *FTC v. Lindsay Chevrolet*, No. 1:24-cv-02362 (E.D. Va. Dec. 27, 2024).

⁹ Exec. Order No. 13,877, 84 Fed. Reg. 30,849–50 (June 27, 2019).

¹⁰ See 45 C.F.R. pt. 180; see also 84 Fed. Reg. 65,524 (Nov. 27, 2019). The 2021 rule requires hospitals to publicly disclose standard charges by (1) posting a file in MRF containing all standard charges for all hospital items and services; and (2) providing a consumer-friendly display of standard charges for at least 300 shoppable services. See Ctrs. for Medicare & Medicaid Servs., *CY2020 Hospital Outpatient Prospective Payment System (OPPS) Policy Changes: Hospital Price Transparency Requirements (CMS-1717-F2)* (Nov. 15, 2019), <https://www.cms.gov/newsroom/fact-sheets/cy-2020-hospital-outpatient-prospective-payment-system-opps-policy-changes-hospital-price>.

¹¹ Exec. Order No. 14221, 90 Fed. Reg. 11,005–06 (Feb. 28, 2025).

transparency requirements effective January 1, 2026.¹² CMS also has implemented the No Surprises Act and related regulations to protect consumers, providing safeguards against surprise medical billing, including requirements for issuing good-faith estimates.¹³

CMS price-transparency rules, which are administered and enforced by CMS, establish a critical foundation for ensuring that healthcare facilities provide information to consumers related to pricing.¹⁴ These rules are, however, a regulatory floor: compliance with CMS requirements does not mean that a hospital has met its obligations under Section 5 of the FTC Act, which prohibits unfair or deceptive acts or practices in the marketplace.¹⁵ In other words, the CMS rules do not provide a safe harbor from liability under the FTC Act.

Under Section 5, the price of healthcare services is a material term.¹⁶ This means that clear and conspicuous disclosures are often necessary to prevent consumers from being deceived.¹⁷ Accordingly, failing to disclose the price of a healthcare service may be deceptive if it is likely to mislead consumers acting reasonably under the circumstances.¹⁸ Even when some price terms are disclosed, disclosures may be deceptive when they are incomplete—such as when they omit certain charges like physician fees or facility fees, or cover only a portion of the

¹² See 45 C.F.R. § 180.50. CMS expanded price-transparency requirements consistent with Exec. Order 14,221, by replacing “estimated allowed amount” with standardized data elements: median, 10th percentile, and 90th percentile values of the allowed amounts in dollars, as well as the total count of allowed amounts. CMS also implemented stricter MRF rules by requiring hospitals to attest to the completeness and accuracy of the posted standard charge information and to identify an official responsible for ensuring data accuracy. See Ctrs. for Medicare & Medicaid Servs., *CY 2026 OPPS and Ambulatory Surgical Center Final Rule - Hospital Price Transparency Policy Changes (CMS-1834-FC)* (Nov. 21, 2025), <https://www.cms.gov/newsroom/fact-sheets/cy-2026-opps-ambulatory-surgical-center-final-rule-hospital-price-transparency-policy-changes>.

¹³ See 42 U.S.C. § 300gg-136 (2024); see also 45 C.F.R. pt. 149 (2025).

¹⁴ According to recent reports, CMS has warned over 500 hospitals that they have failed to comply with CMS’s expanded price-transparency requirements. See Josh Boak, *Trump Administration Warns Over 500 Hospitals to Provide More Price Information or Face Fines*, Associated Press (June 9, 2026), <https://apnews.com/article/trump-hospital-prices-healthcare-affordability-313817c2ba73f1a3f4055ecde27b82be>; see also Ctrs. for Medicare & Medicaid Servs., *Hospital Price Transparency Enforcement Updates*, (Apr. 26, 2023), <https://www.cms.gov/newsroom/fact-sheets/hospital-price-transparency-enforcement-updates>.

¹⁵ See 15 U.S.C. § 45.

¹⁶ See Policy Statement on Deception, *supra* n. 2, at 175 (information about cost of a service a material term).

¹⁷ See *id.* at 176 (“Some cases involve omission of material information, the disclosure of which is necessary to prevent the claim, practice, or sale from being misleading.”). To be effective, disclosures must be clear and conspicuous. See, e.g., *Thompson Med. Co.*, 104 F.T.C. 648, 842–43 (1984), *aff’d*, 791 F.2d 189 (D.C. Cir. 1986); see generally *Removatron Int’l Corp. v. F.T.C.*, 884 F.2d 1489, 1498–1501 (1st Cir. 1989); see also *Cyberspace.com*, 453 F.3d at 1200–01 (holding that fine print statement may be insufficient to correct a misleading representation); *Kraft, Inc. v. FTC*, 970 F.2d 311, 326 (7th Cir. 1992) (holding that to correct inaccurate impressions contributing to consumer deception, disclosures must be prominent and unambiguous); *FTC v. Direct Mktg. Concepts, Inc.*, 624 F.3d at 12 (holding that disclaimers do not cure deception unless they are “sufficiently prominent and unambiguous” to change the impression of the advertisement).

¹⁸ See Policy Statement on Deception, *supra* n. 2, at 175; see also *FTC v. Gill*, 265 F.3d 944, 950 (9th Cir. 2001) (“An act or practice is deceptive if ‘first, there is a representation, omission, or practice that, second, is likely to mislead consumers acting reasonably under the circumstances, and third, the representation, omission, or practice is material.’”); see also *FTC v. Pantron I Corp.*, 33 F.3d 1088, 1095 (9th Cir. 1994) (citing *Cliffdale Assocs.*, 103 F.T.C. at 164–65). To be material, a claim must convey information that is important to consumers and thus be likely to affect their choice of a product. See *FTC v. Cyberspace.com, LLC*, 453 F.3d 1196, 1201 (9th Cir. 2006) (citing *Cliffdale Assocs.*, 103 F.T.C. at 165).

expected care—because consumers may reasonably believe they have been provided the total cost of care. Likewise, inaccurate disclosures mislead consumers and cause substantial harm.

Failure to provide transparent pricing may also be “unfair” under Section 5 if it causes or is likely to cause substantial injury to consumers that is not reasonably avoidable by consumers themselves and not outweighed by countervailing benefits to consumers or competition.¹⁹ For example, when price information is incomplete, inaccurate, or not provided sufficiently in advance for scheduled services, consumers cannot compare competing healthcare providers’ services or make informed decisions. Nor do incomplete, inaccurate, or untimely pricing disclosures (where that information is reasonably available to the healthcare provider in advance) provide any countervailing benefits to competition or consumers. On the contrary, it undermines competition by obscuring one of the most important dynamics of competition from consumers’ observation and comparison.

Accordingly, the FTC encourages you and all healthcare-service providers in the United States to conduct a comprehensive review of your price-transparency practices to ensure you are providing consumers with timely, accurate, and complete pricing for healthcare services, especially those scheduled in advance, and, if you are not, to take corrective action swiftly. The FTC will continue to monitor the healthcare marketplace and take enforcement action as warranted.

This letter is not intended to reflect a particularized assessment of your price-transparency practices, nor is it intended to reflect a conclusion as to whether you have engaged in conduct violative of the FTC Act. If you have any questions about this letter, please contact the Bureau of Consumer Protection’s Division of Advertising Practices at HealthcarePriceTransparency@ftc.gov.

Sincerely,

Andrew N. Ferguson
Chairman
Federal Trade Commission

¹⁹ FTC Act § 5(n), 15 U.S.C. §45(n); *see also* Policy Statement on Unfairness, *supra* n. 3, at 1070–76.