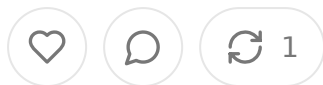


Trump's Executive Order on Healthcare Price Transparency: Analysis, Impact, and Future Business Models

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On February 25, 2025, President Trump signed an executive order titled "Making America Healthy Again by Empowering Patients with Clear, Accurate, and Actionable Healthcare Pricing Information." This order builds upon previous price transparency initiatives from his first administration, particularly Executive Order 13877 from July 24, 2019, which was titled "Improving Price and Quality Transparency in American Healthcare to Put Patients First."

The new executive order addresses what the administration identifies as a fundamental problem in American healthcare: the historically opaque pricing structures that have prevented patients and employers from accessing clear pricing information before receiving medical services. According to the order, this lack of transparency has allowed powerful entities like hospitals and insurance companies to operate with insufficient accountability regarding their pricing practices, ultimately burdening patients, employers, and taxpayers with inflated healthcare costs.

The original 2019 order led to regulations requiring hospitals to maintain consumer-friendly displays of pricing information for up to 300 "shoppable" services and machine-readable files containing negotiated rates for all services. It also mandated that health plans publish their negotiated rates with providers, out-of-network

payments, and actual prices paid for prescription drugs, while maintaining consumer-facing internet tools for accessing this information.

The 2025 order cites economic analyses suggesting these transparency measures fully implemented, could result in up to \$80 billion in healthcare savings for consumers, employers, and insurers by 2025. It also references a 2024 report indicating healthcare price transparency could help employers reduce healthcare costs by 27 percent across 500 common healthcare services. Additionally, recent data shows the top 25 percent of most expensive healthcare service prices have dropped by 6 percent per year following the initial implementation of price transparency during Trump's first term.

However, the order states that progress stalled after Trump's first term, with inadequate enforcement of transparency requirements for hospitals and health plans. It specifically criticizes the Biden Administration for failing to fully enforce requirements regarding prescription drug price transparency.

The new executive order directs the Secretaries of Treasury, Labor, and Health and Human Services to take all necessary actions to rapidly implement and enforce transparency healthcare price transparency regulations issued pursuant to the 2019 order. Within 90 days, they must:

1. Require disclosure of actual prices for items and services, not just estimates
2. Issue updated guidance or proposed regulatory action ensuring pricing information is standardized and easily comparable across hospitals and health plans
3. Issue guidance or proposed regulatory action updating enforcement policies to ensure compliance with transparent reporting of complete, accurate, and meaningful data

Understanding Executive Orders and Their Implementation

Executive orders represent a formal means through which the President exercise executive authority. They direct federal agencies on how to interpret and implement existing laws passed by Congress. Unlike legislation, executive orders cannot create new laws, but rather instruct the executive branch on enforcement priorities and interpretations within the confines of existing statutory authority.

The implementation timeline for executive orders varies significantly based on the complexity and scope. Some provisions may take effect immediately, but most require federal agencies to develop detailed regulations through the federal rulemaking process. This process typically includes drafting proposed rules, publishing them in the Federal Register, allowing for public comment periods, reviewing those comments, and finally issuing final rules.

For healthcare-related executive orders like this one, the timeline from issuance to full implementation and industry impact commonly spans 1-3 years. The 90-day deadline mentioned in this order represents only the initial guidance phase, after which additional rulemaking, implementation, and enforcement actions would follow. Healthcare systems, insurance companies, and other affected entities then need time to develop compliance strategies and technology solutions.

Further complicating matters, executive orders can face legal challenges that may delay implementation. Courts may be asked to rule on whether the order exceeds presidential authority or conflicts with existing laws.

Potential Business Models Emerging from the Order

The enhanced transparency requirements created by this executive order will likely catalyze several new business models in the healthcare technology sector:

Consumer-Facing Price Comparison Platforms

Technology companies are positioned to develop sophisticated platforms that aggregate the newly mandated pricing data and present it in consumer-friendly

interfaces. These services could function similarly to travel comparison sites like Kayak or Expedia, but for healthcare procedures and medications. By integrating individual insurance information, these platforms could provide personalized out-of-pocket cost estimates and help consumers make value-based healthcare decisions.

Healthcare Financial Planning Tools

With actual pricing information becoming more accessible, financial technology companies may develop specialized tools to help consumers budget for healthcare expenses. These could include flexible healthcare savings accounts, procedure-specific payment plans, or AI-powered financial advisors specializing in healthcare spend optimization.

Data Analytics Services for Providers and Payers

The standardization of healthcare pricing data creates opportunities for companies specializing in big data analytics. These firms could help hospitals, insurance companies, and self-insured employers analyze competitive pricing landscapes, identify pricing anomalies, and develop more strategic approaches to price setting and negotiation.

Compliance Technology Solutions

With strengthened enforcement mechanisms likely to follow this order, healthcare organizations will need robust compliance solutions. Technology vendors specializing in healthcare regulations could develop platforms that automate the collection, formatting, and publishing of pricing information according to federal requirements.

Value-Based Care Enablement Platforms

The availability of standardized pricing data could accelerate the shift toward value-based care models. Technology companies might develop platforms that combine price transparency with quality metrics, enabling providers and payers to better identify high-value care options and structure reimbursement accordingly.

Healthcare Shopping Assistants

AI-powered virtual assistants could emerge to help consumers navigate complex healthcare pricing information. These tools might integrate with personal health records and insurance details to provide personalized recommendations on where to receive care based on both quality and price considerations.

Enterprise Price Transparency Solutions

Large healthcare systems and payer organizations will need enterprise-scale solutions to manage their price transparency obligations. Technology vendors could develop comprehensive platforms that handle everything from data collection and standardization to public-facing price disclosure tools.

Pharmaceutical Pricing Intelligence

With the order's emphasis on prescription drug price transparency, companies specializing in pharmaceutical pricing intelligence could develop new offerings to help various stakeholders—from pharmacy benefit managers to self-insured employers—better understand and negotiate drug prices.

Conclusion

It's important to note that while this executive order creates significant opportunities, the full realization of these business models will depend on several factors: the specific regulations developed by federal agencies, the strength of enforcement mechanisms, consumer adoption of price shopping behaviors, and the healthcare industry's adaptation to this more transparent environment.

The order's 90-day timeline for initial agency action suggests that we might begin seeing the earliest technology solutions emerging by late 2025, with more sophisticated offerings developing throughout 2026 and beyond as the marketplace matures and stakeholders adjust to the new transparency requirements.

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