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February 19, 2026

Secretary Robert F. Kennedy Jr.  
Department of Health and Human Services  
200 Independence Ave SW  
Washington, D.C. 20201

Assistant Secretary Daniel Aronowitz  
Employee Benefits Security Administration  
200 Constitution Ave NW  
Suite S-2524  
Washington, D.C. 20210

Acting Commissioner Scott Bessent  
Internal Revenue Service  
1111 Constitution Ave NW  
Washington, D.C. 20224

Attention: Transparency in Coverage (CMS-9882-P)

Dear Secretary Kennedy, Assistant Secretary Aronowitz, and Acting Commissioner Bessent,

The American Academy of Dermatology Association (AADA) writes to provide comments on proposed rule [Transparency in Coverage](#) (CMS-9882-P) issued jointly by the Department of Health and Human Services (HHS), the Department of Labor (DOL), and the Department of Treasury (collectively referred to as “the Departments”). The AADA represents more than 17,500 dermatologists nationwide who are committed to excellence in the medical and surgical treatment of skin disease; advocating for high standards in clinical practice, education, and research in dermatopathology; and driving continuous improvement in patient care and outcomes while reducing the burden of disease.

The AADA appreciates the Departments’ interest in increasing transparency, which should ultimately increase competition and reduce costs. We also appreciate the proposed rule’s intent to address data reporting

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challenges, including challenges preparing large machine-readable files and difficulties in comparing data. The AADA supports complete price transparency, including clear and accessible information on out-of-pocket expenses such as copayments and coinsurance. However, we are concerned that increasing price transparency without appropriate guardrails may have unintended consequences that could harm patients and physicians, as described further in this letter. Additionally, in pursuit of reducing healthcare costs for patients, the Departments have not addressed key health insurance policies directed at physicians and physician practices, such as opaque claims review processes and low reimbursement rates to physicians. These policies drive up costs and impact patient access to care. We recognize these payer-driven policies fall outside of the scope of the proposed rule, AADA asserts that these issues should influence the Departments' goal of reducing costs.

**We urge the Departments to consider the rule's impact on physicians, particularly solo and small physician practices, and to explore future activities to address key health insurance policies that increase costs and limit access to care.** We appreciate the opportunity to provide comments and contribute to this important dialogue with the Departments and offer the following in response to the proposed rule.

#### Timely Payment of Medical Bills

The AADA urges the Departments, particularly HHS, to consider future measures that improve the timeliness of claim payments from health insurers to physicians. Both public and private insurers too often rely on opaque claims review processes, inappropriate denials, and burdensome appeals, all of which delay payment and undermine physicians' ability to care for patients. Such questionable tactics frequently create financial instability for physician practices and jeopardize patient access to care.

The Academy's long-standing view on filing of claims is that all health insurers should acknowledge receipt of every electronic claim within one business day, and that acceptance or rejection of the electronic claim occurs within 20 business days. Furthermore, all insurance entities should pay for clean claims when filed electronically within 14 days, and paper claims within 30 days, with interest accruing thereafter. These time periods should be considered as the ceiling, not the floor for timely claims payment. **The Academy encourages HHS to pursue future actions that would require plans to adhere to the timelines noted above in order to strengthen timely payments of claims from health insurers to physicians.**

State-by-state policies addressing timely payment of claims (primarily prompt-pay statutes) create inconsistent practices nationwide and allow self-funded plans to avoid State prompt-pay statutes under the Employment Retirement Income Security Act of 1974 (ERISA). In an effort to promote timely payment of medical bills by insurers to physicians, the Departments should consider reviewing the effectiveness of current state prompt-pay laws on insurer behavior as well as consider future rulemaking to promote prompt payment among ERISA plans.

#### Increased Competition Among Physicians

The proposed rule suggests improving price transparency will increase competition among physicians, lowering both insurer reimbursement rates to physicians and costs for patients. The AADA urges caution over

the purported benefit of lowering reimbursement rates due to the risk of financially destabilizing practices and subsequent reduction in patient access to care as physician practices close or scale back their capacity.

The Academy has consistently advocated for appropriate reimbursement rates. A recent example is the long-overdue increase in the Medicare Physician Fee Schedule (PFS). Following years of stagnant rates – and even rate reductions – amid rising inflation, in 2025, Congress approved a 2.5% increase in payment under the PFS for 2026 above what was already required under law, contributing to a 3.26% payment increase for most physicians. While this increase was an important step forward, additional relief is needed. Without a permanent fix for Medicare physician payment, however, many physicians continue to face difficult decisions including shortening visits, limiting Medicare patient panels, or discontinuing Medicare participation altogether, significantly undermining access to care. The same concerns would apply to non-Medicare plans that may use transparency data to negotiate low reimbursement rates.

We support the Departments recommendations in the proposed rule to make data files more manageable, which would enable physicians to more easily utilize the data. **To protect patient access and maintain a stable physician workforce, the Academy urges the Departments to adopt guidelines on how price transparency information may be used in payer-physician contract negotiations.** Such guidelines may include requiring payers to fully disclose to physicians their fee schedules, rates, and the methodologies behind them. Although payers often assert this information is proprietary, transparency around the data used to set proposed rates is essential for good-faith negotiation between payers and physicians. Additionally, we encourage the Departments to consider publishing an aggregate public use file to further increase price transparency and promote easy access to critical information physicians can employ in contract negotiations.

### Requirements for Public Disclosure

The AADA continues to be concerned about the Departments' previously finalized requirements for plans to publicly disclose in-network rates and historical out-of-network allowed amounts. Public disclosure of negotiated rates risks shifting care away from practices that provide high-value dermatologic services without accounting for differences in quality or outcomes. Quality is a core element of healthcare that is not generally reflected in efforts to increase price transparency. **The Academy recommends the Departments consider options to pair pricing information with existing quality ratings based on physician developed/approved metrics to better support informed consumer decision-making.**

### Conclusion

We appreciate the Departments' work investigating and proposing measures to enhance price transparency as a means of promoting informed consumer choice and urge caution given the risk of unintended consequences. Physicians are the backbone of our healthcare system, and the potential impacts of the

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transparency requirements necessitate further attention to how physicians and physician practice sustainability may be affected.

We appreciate the opportunity to provide feedback to ensure physician concerns on price transparency are heard and look forward to ongoing engagement. If you have any questions regarding this letter, please contact Lou Terranova, Associate Director, Health Policy & Payment, at [lterranova@aad.org](mailto:lterranova@aad.org) or 847-240-1465.

Sincerely,

A handwritten signature in cursive script that reads "Susan C. Taylor MD, FAAD".

Susan C. Taylor, MD, FAAD

President, American Academy of Dermatology Association