



HEALTHCARE REGULATORY ROUND-UP #69

Hospital Price Transparency

Are You Ready for July 1?

April 24, 2024

Introductions



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CY 2024 OPPS Final Rule



- Standardization of files and data elements
 - Enhance consumer access and readability
- Strengthened and streamlined enforcement
 - Builds on enforcement changes made in 2023



New Regulatory Requirements

Original Requirements



Compliance required January 1, 2021

Executive Order (6/24/2019); 45 CFR Part 180 (11/17/2019)

- Requires charge data to be posted in single machine-readable file (MRF)
 - Five types of “standard charges,” i.e., regular rate established by hospital for item or service provided to specific group of paying patients
 - Gross charge
 - Payer-specific negotiated charge
 - De-identified minimum negotiated charge
 - De-identified maximum negotiated charge
 - Discounted cash price
- Requires consumer-friendly list of standard charges for limited set of shoppable services
 - Alternatively, hospital may maintain and update annually internet-based price estimator tool
- Requires both files be updated at least annually and display date of last update

New/Revised Requirements

- CMS Hospital Price Transparency – Data Dictionary GitHub Repository
 - Includes detailed requirements on linking transparency information to facility's website
 - Available at <https://github.com/CMSgov/hospital-price-transparency>

New/Revised Requirements – Effective 1/1/24

- Hospitals must –
 - Make good faith effort to ensure information encoded in MRF is truly accurate and complete as of date indicated in MRF
 - Establish and maintain txt file as specified
 - Maintain link in footer on hospital’s website (*including but not limited to* homepage) labeled “Price Transparency”
 - A TXT file must be located at root of public website that hosts MRF
 - www.yourhospital.com/cms-hpt.txt

Hospital Price Transparency Tools GitHub



Source

<https://cmsgov.github.io/hpt-tool/txt-generator/>

Hospital Price Transparency Tools

Machine Readable File MRF File Naming Wizard TXT File Generator

TXT File Generator

Hospital Location Name

Source Page URL

Machine-Readable File URL

POC Name

Contact Email

Add

i Fill in hospital fields to generate file

Results

Download

```
location-name:  
source-page-url:  
mrf-url:  
contact-name:  
contact-email:
```

TXT File Instructions

Background

As finalized in the CY2024 OPPS/ASC Final Rule, beginning January 1, 2024, each hospital must ensure that the public website it selects to host its machine-readable file (MRF) establishes and maintains, in the form and manner specified by CMS:

- A TXT file in the root folder that includes:
 - The hospital location name that corresponds to the MRF;
 - The source page URL that hosts the MRF;
 - A direct link to the MRF (the MRF URL); and
 - Hospital point of contact information.
- A link in the footer on its website, including but not limited to the homepage, that is labeled "Price Transparency" and links directly to the publicly available webpage that hosts the link to the MRF.

The purpose of these requirements is to facilitate automated access to hospital MRFs. Please refer to 45 CFR 180.50 (d)(6) and discussion at 88 FR 82111-82113.

TXT technical specifications

Steps:

1. Generate a TXT file based on the schema or via the TXT File Generator that includes the required information indicated below.
2. If the MRF contains standard charge information for more than one location, create a separate entry for each of the inpatient locations and standalone emergency hospitals in the TXT file (i.e., repeat the five attributes required in the TXT file with other location names).
3. Name the file "cms-hpt.txt".
4. Place the TXT file on the root of the domain of the public website your hospital has selected to host its machine-readable file (MRF), without regard to page structure. As an example, a hospital with the website <https://hospital.com> would locate its file at <https://hospital.com/cms-hpt.txt>

TXT File Display



location-name: General Hospital Example 1
source-page-url: <https://example.com/price-transparency>
mrf-url: https://example.com/price-transparency/123456789_General-Hospital-Example-1_standardcharges.csv
contact-name: Example Contact 1
contact-email: examplecontact1@example.com

location-name: General Hospital Example 2
source-page-url: <https://example.com/price-transparency>
mrf-url: https://example.com/price-transparency/987654321_General-Hospital-Example-2_standardcharges.json
contact-name: Example Contact 2
contact-email: examplecontact2@example.com

New/Revised Requirements – Effective 07/01/24



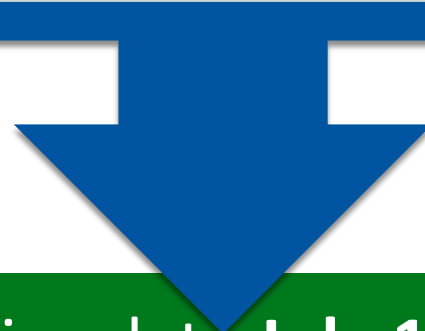
Encoding of Required Data Elements

- Hospital name(s), license number, and location name(s) and address(es)
- All standard charge information corresponding to each required data element in the MRF
 - CMS templates allow for comma-separated values (CSV) “wide” format, a CSV “tall” format, or JSON schema
- The type of method used to establish the standard charge
 - Location/setting (inpatient/outpatient/both)
 - Codes used for billing such as modifiers and code type (HCPCS, CPT, NDC, DRG, etc.)
 - Payer and plan (separate data elements)
 - Plans may be shown as categories (such as “all PPO plans”) when the established payer-specific negotiated charges are applicable to each plan in the indicated category
 - Identify whether the standard charge is a dollar amount, or if the standard charge is based on a case rate, fee schedule, per diem, percentage or algorithm
 - If the standard charge is based on a percentage or algorithm, the MRF must also describe the percentage or algorithm that determines the dollar amount for the item or service

Certify MRF Completeness and Accuracy

Compliance Statement

To the best of its knowledge and belief, this hospital has included all applicable standard charge information in accordance with the requirements of 45 C.F.R. §180.50 and the information encoded in this machine-readable file is true, accurate and complete as of the date indicated in this file.



Effective date **July 1, 2024**

Value of “true” or “false” entered by the hospital

New/Revised Requirements – Effective 01/01/25



- Report “estimated allowed amount” when payer negotiated rate is based on algorithm or percentage
 - Estimated allowed amount: Average reimbursement in dollars that has been received from payer in the past for item or service
- Drug unit and type of measurement
- Modifiers impacting “standard” charge, including description of modifier and how it would change standard charge

TABLE 151A: Implementation Timeline for CMS Template Adoption and Encoding Data Elements



Requirement	Regulation cite	Implementation (Compliance) Date
<i>MRF INFORMATION</i>		
MRF Date	45 CFR 180.50(b)(2)(i)(B)	July 1, 2024
CMS Template Version	45 CFR 180.50(b)(2)(i)(B)	July 1, 2024
<i>HOSPITAL INFORMATION</i>		
Hospital Name	45 CFR 180.50(b)(2)(i)(A)	July 1, 2024
Hospital Location(s)	45 CFR 180.50(b)(2)(i)(A)	July 1, 2024
Hospital Address(es)	45 CFR 180.50(b)(2)(i)(A)	July 1, 2024
Hospital Licensure Information	45 CFR 180.50(b)(2)(i)(A)	July 1, 2024
<i>STANDARD CHARGES</i>		
Gross Charge	45 CFR 180.50(b)(2)(ii)	July 1, 2024
Discounted Cash	45 CFR 180.50(b)(2)(ii)	July 1, 2024
Payer Name	45 CFR 180.50(b)(2)(ii)(A)	July 1, 2024
Plan Name	45 CFR 180.50(b)(2)(ii)(A)	July 1, 2024
Standard Charge Method	45 CFR 180.50(b)(2)(ii)(B)	July 1, 2024
Payer-Specific Negotiated Charge –Dollar Amount	45 CFR 180.50(b)(2)(ii)(C)	July 1, 2024
Payer-Specific Negotiated Charge – Percentage	45 CFR 180.50(b)(2)(ii)(C)	July 1, 2024
Payer-Specific Negotiated Charge – Algorithm	45 CFR 180.50(b)(2)(ii)(C)	July 1, 2024
Estimated Allowed Amount	45 CFR 180.50(b)(2)(ii)(C)	January 1, 2025
De-identified Minimum Negotiated Charge	45 CFR 180.50(b)(2)(ii)	July 1, 2024
De-identified Maximum Negotiated Charge	45 CFR 180.50(b)(2)(ii)	July 1, 2024
<i>ITEM & SERVICE INFORMATION</i>		
General Description	45 CFR 180.50(b)(2)(iii)(A)	July 1, 2024
Setting	45 CFR 180.50(b)(2)(iii)(B)	July 1, 2024
Drug Unit of Measurement	45 CFR 180.50(b)(2)(iii)(C)	January 1, 2025
Drug Type of Measurement	45 CFR 180.50 (b)(2)(iii)(C)	January 1, 2025
<i>CODING INFORMATION</i>		
Billing/Accounting Code	45 CFR 180.50(b)(2)(iv)(A)	July 1, 2024
Code Type	45 CFR 180.50(b)(2)(iv)(B)	July 1, 2024
Modifiers	45 CFR 180.50(b)(2)(iv)(C)	January 1, 2025

TABLE 151B: Implementation Timeline for Other New Hospital Price Transparency Requirements

Requirement	Regulation Cite	Implementation (Compliance) Date
Good faith effort	45 CFR 180.50(a)(3)(i)	January 1, 2024
Affirmation in the MRF	45 CFR 180.50(a)(3)(ii)	July 1, 2024
Txt file	45 CFR 180.50(d)(6)(i)	January 1, 2024
Footer link	45 CFR 180.50(d)(6)(ii)	January 1, 2024

CMS Template Layout & Encoding Standard Charge Information



Putting it Together

1 General Data Elements

These required general data about the MRF must be stated once at the top of the file (i.e. the first row).

Column Header (Tall format)	Column Header (Wide format)	Name	Type	Definition	Blanks Accepted
hospital_name	hospital_name	Hospital Name	String	The legal business name of the licensee.	No
last_updated_on	last_updated_on	MRF Date	Date	Date on which the MRF was last updated. Date must be in an ISO 8601 format (i.e. YYYY-MM-DD)	No

2 Required Standard Charge, Item/Service, and Coding Data Elements

After the general data elements have been disclosed, the disclosure of required standard charges, item/service, and coding data elements will begin on row 3.

If a -- is encountered in the following table, then the instruction does not apply to the specific CMS template selected. You can view both [CSV templates here](#).

Column Header (Tall format)	Column Header (Wide format)	Name	Type	Definition	Blanks Accepted
description	description	General Description	String	Description of each item or service provided by the hospital that	No

EXAMPLE CSV MRF Excerpt

```
hospital_name,last_updated_on,version,hospital_locat
West Mercy Hospital,2024-07-01,2.0.0,West Mercy Hosp
description,code|1 ,code|1|type,code|2 ,code|2|type,
```

EXAMPLE CSV MRF in Spreadsheet View

1	hospital_name	last_updated_on	version	hospital_location
	West Mercy Hospital	2024-07-01	2.0.0	West Mercy Hosp
2	description	code 1	code 1 type	code 2
	Major hip and knee join	470	MS-DRG	175869
	Major hip and knee join	470	MS-DRG	175869
	Major hip and knee join	470	MS-DRG	175869

V2.0.0_Wide_CSV_Format_Example.csv



File explorer sidebar showing repository structure:

- master
- Go to file
- README.md
- JSON
- README.md
- V2.0.0_Hospital_price_trans...
- README.md
- examples
- CSV
 - Tall Format Examples
 - V2.0.0_Tall_CSV_Format_E...
 - Wide Format Examples
 - V2.0.0_Wide_CSV_Format...
- JSON
- README.md
- resources

GitHub code viewer interface for file: carrils add json, csv tall, csv wide examples for encoding modifier informati...

Preview | Code | Blame | 14 lines (14 loc) · 4.4 KB

```
1 hospital_name,last_updated_on,version,hospital_location,hospital_address,license_number|CA,"To the best of its knowledge and belief, the hospital has included all applicable standard charge information in accordance with the r
2 West Mercy Hospital,2024-07-01,2.0.0,West Mercy Hospital|West Mercy Surgical Center,"12 Main Street, Fullerton, CA 92832|23 Ocean Ave, San Jose, CA 94088",50056,true,"When total claim charges exceed $200,000.00 for a Platform
3 description,code|1,code|1|type,code|2,code|2|type,modifiers,setting,drug_unit_of_measurement,drug_type_of_measurement,standard_charge|gross,standard_charge|discounted_cash,standard_charge|Platform_Health_Insurance|PPO|negotiat
4 Major hip and knee joint replacement or reattachment of lower extremity without mcc,470,MS-DRG,175869,LOCAL,,inpatient,,,,,20000,,MS-DRG,22243.34,case rate,,,50,,23145.98,percent of total billed charges,,20000,20000,
5 Major hip and knee joint replacement or reattachment of lower extremity without mcc,470,MS-DRG,175869,LOCAL,,inpatient,,,,,20000,,https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/html/images.
6 Major hip and knee joint replacement or reattachment of lower extremity without mcc,470,MS-DRG,175869,LOCAL,,inpatient,,,,,20000,,The adjusted base rate indicated (in dollars) may be further adjusted for transfers and outliers
7 "Evaluation of hearing function to determine candidacy for, or postoperative status of, surgically implanted hearing device; first hour",92626,CPT,,,outpatient,,,150,125,98.98,,,,fee schedule,110% of the Medicare fee schedule
8 "Behavioral health; residential (hospital residential treatment program), without room and board, per diem",H0017,HCPCS,,,inpatient,,,2500,2250,1500,,,,,per diem,,,,,1500,1500,
9 "Behavioral health; residential (hospital residential treatment program), without room and board, per diem, days 1-3",H0017,HCPCS,,,inpatient,,,2500,2250,,,,,2000,,,per diem,,2000,2000,
10 "Behavioral health; residential (hospital residential treatment program), without room and board, per diem, days 4-5",H0017,HCPCS,,,inpatient,,,2500,2250,,,,,1800,,,per diem,,1800,1800,
11 "Behavioral health; residential (hospital residential treatment program), without room and board, per diem, days 6+",H0017,HCPCS,,,inpatient,,,2500,2250,,,,,1200,,,per diem,,1200,1200,
12 Treatment or observation room - observation room,762,RC,,,outpatient,,,13000,12000,8000,,,case rate,Negotiated standard charge without surgery and without rule out myocardial infarction,9000,,,case rate,,8000,10000,
13 Treatment or observation room - observation room,762,RC,,,outpatient,,,13000,12000,10000,,,case rate,Negotiated standard charge without surgery and with rule out myocardial infarction,,,,,8000,10000,
14 Bilateral procedure,,,,,50,both,,,,,150,,,,,150% payment adjustment for the item or service to which the modifier is appended,,145,,,,145% payment adjustment for the item or service to which the modifier is appended,,
```


V2.0.0_Wide_CSV_Format_Example.csv




File explorer view showing a repository structure with folders like JSON, examples, CSV, and Wide Format Examples. The selected file is V2.0.0_Wide_CSV_Format_Example.csv.

Preview view showing a table with 14 lines (14 loc) and 4.4 KB. The table columns are: hospital_name, last_updated_on, version, hospital_location, and hospital_address.

Line	hospital_name	last_updated_on	version	hospital_location	hospital_address
1	West Mercy Hospital	2024-07-01	2.0.0	West Mercy Hospital West Mercy Surgical Center	12 Main Street, Fullerton, CA 92832 23 Ocean Ave, San Jos
2	description	code 1	code 1 type	code 2	code 2 type
3	Major hip and knee joint replacement or reattachment of lower extremity without mcc	470	MS-DRG	175869	LOCAL
4	Major hip and knee joint replacement or reattachment of lower extremity without mcc	470	MS-DRG	175869	LOCAL
5	Major hip and knee joint replacement or reattachment of lower extremity without mcc	470	MS-DRG	175869	LOCAL
6	Evaluation of hearing function to determine candidacy for, or postoperative status of, surgically implanted hearing device; first hour	92626	CPT		
7	Behavioral health; residential (hospital residential treatment program), without room and board, per diem	H0017	HCPCS		
8	Behavioral health; residential (hospital residential treatment program), without room and board, per diem, days 1-3	H0017	HCPCS		
9	Behavioral health; residential (hospital residential treatment program), without room and board, per diem, days 4-5	H0017	HCPCS		
10	Behavioral health; residential (hospital residential treatment program), without room and board, per diem, days 6+	H0017	HCPCS		
11	Treatment or observation room — observation room	762	RC		
12	Treatment or observation room — observation room	762	RC		
13	Bilateral procedure				
14					

Services defined only by thousands of ICD Codes #63

✓ Answered by RidenourK JaSimps5 asked this question in Q&A

 JaSimps5 last week

I have a payer contract that identifies some services such as PTCA and Coronary Surgery by a list of ICD10 codes only. Coronary Surgery's list is almost 4k codes long. None of these will have a standard gross charge amount and the reimbursement is a case rate so I'm curious how these should be handled on the report? It seems excessive to list all 4k lines individually on the report when the only difference would be the code and it doesn't seem appropriate to list 4k code/codetypes on one line. How do we make this easy?

↑ 3


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[View full answer ↓](#)

GitHub Discussions

Services defined only by thousands of ICD Codes #63

 JaSimps5 last week · 2 comments · 4 replies


A question for clarification, When multiple codes are listed on the same row/line, does that mean AND or OR?

It sounds like you want an OR: the same case rate charge applies to a large set of ICD10s.

My assumption has always been that when multiple codes are listed for the same row, that is an AND (of the codes) and if you want an OR (of the codes) you can always have multiple rows.


So, you would list the separate codes in separate rows: they just happen to have the same charge.

[@cms](#) please clarify the semantics.

 1


3 replies

GitHub Discussions

 **JaSimps5** last week Author ...

For this particular scenario, it's an Or statement.


However, there are other scenarios that have ICD10's AND other conditions. Just as an example a contract that pays differently for an Adult vs Adolescent Transplant procedure. When that list of ICD10 codes is in the thousands and then you have to duplicate it to account for the AND scenarios, it makes these files extremely large if we are listing each code out on multiple rows.

 **nmayle** last week edited ...

As one of the many consumers of these files, it is very important to be able to reliably interpret the data -- clear semantics. If the multiple codes on a row can be interpreted as AND or OR, then how would we know which to use when?

Since multiple rows can be used for OR and there isn't another mechanism for AND, I would suggest that the only reasonable way to use multiple codes on the same row is AND.

True, this will result in your case (and others) in thousands of rows with almost exactly the same information, but, I strongly believe that the consumers of the files would rather have large files with a clear interpretation of each row than a smaller file that is ambiguous. Many of us are also using Transparency in Coverage data files and those are often much much larger -- terabytes every month from a single payer.

 **nmayle** last week ...

BTW: the same question comes up with the modifiers field -- it is an AND or an OR if there are multiple modifiers.

@cms every column that can have multiple values or have multiple columns for the same field should have clearly documented semantics as to whether it is an OR or an AND. Ambiguity undermines the goal of the whole effort of price transparency: the ability to interpret and compare prices.

Data Validation

CMS V2.0 Online Validator (<https://cmsgov.github.io/hpt-tool/online-validator/>)

- Review uploaded MRF against required CMS template layout and data specifications
- If MRF does not conform to form and manner requirements, Online Validator will generate output consisting of “errors” and “warnings”

Enforcement

New Enforcement Provisions

- Requires hospitals to acknowledge receipt of warning notices
- Requires hospitals to submit additional information including contracts to assist in assessing compliance
- CMS will work with health system officials to address noncompliance issues in one or more hospitals within that system
- CMS will better publicize CMS enforcement activities related to individual hospitals

Civil Money Penalties

Number of Beds	Penalty Applied Per Day	Total Penalty Amount for Full Calendar Year of Non-Compliance
30 or less	\$300 per hospital	\$109,500 per hospital
31 - 550	\$310 - \$5,500 per hospital (number of beds times \$10)	\$113,150 - \$2,007,500 per hospital
More than 550	\$5,500 per hospital	\$2,007,500 per hospital

Note: In subsequent years, amounts adjusted according to 45 CFR 180.90(c)(3)

CMS Data - Enforcement Activities & Outcomes



Hospital or Hospital...	Hospital ID number...	Hospital or Hospital...	Hospital City	Hospital State/Territory	Action taken by CMS Followin...	Date of Action
Abbott Northwest...	11	800 East 28th Str...	Minneapolis	MN	Warning Notice	2022-12-20
Abbott Northwest...	11	800 East 28th Str...	Minneapolis	MN	CAP Request	2023-04-13
Abbott Northwest...	11	800 East 28th Str...	Minneapolis	MN	Closure Notice	2023-04-27
Abrazo Arizona He...	18	1930 East Thomas...	Phoenix	AZ	Warning Notice	2023-04-14
Abrazo Arizona He...	18	1930 East Thomas...	Phoenix	AZ	Closure Notice	2023-08-01
Abrazo Arrowhead...	21	18701 N. 67th Ave...	Glendale	AZ	Warning Notice	2023-05-02
Abrazo Arrowhead...	21	18701 N. 67th Ave...	Glendale	AZ	Closure Notice	2023-08-21
Abrazo Central Ca...	17	2000 West Bethan...	Phoenix	AZ	Met Requirements	2023-03-07

< First < Previous 1 of 284 Next > Last >

CMS Enforcement Actions Through End of 2023



- 913 warning notices issued
- 478 requests for corrective action plans
- 963 closure notices issued following correction of deficiencies
- 473 met requirements

CMP Notices – 14 Issued To Date

- First issued in June 2022, most recent issued in September 2023
- 7 remain under review
- Amounts range from \$56.9K to \$979K
 - Critical access hospitals to academic medical centers

CMS 2022 Assessment of Hospital Compliance



Comprehensive Machine-Readable File Rule Requirements Assessed	Consumer-Friendly Display Rule Requirements Assessed	
<p>1. General requirements (45 CFR §180.50(a)):</p> <ul style="list-style-type: none"> File is present <p>2. Required data elements (45 CFR §180.50(b)):</p> <ul style="list-style-type: none"> Description of items and services Gross charges Payer-specific negotiated charges by payer and plan De-identified minimum negotiated charges De-identified maximum negotiated charges Discounted cash prices* Any code used by the hospital for accounting or billing purposes <p>3. Format requirements (45 CFR §180.50(c)):</p> <ul style="list-style-type: none"> File is a single digital file in a machine-readable format <p>4. Location and accessibility requirements (45 CFR §180.50(d)):</p> <ul style="list-style-type: none"> File is on a publicly available website File is free of charge No user account or password is needed to access the file No personally identifying information (PII) is needed to access the file File is directly downloadable <p>*In accordance with the regulation, hospitals are required to post a discounted cash price, as applicable. The final rule acknowledges that not all hospitals may have established a discounted cash price.</p>	<p>1. General requirements (45 CFR §180.60(a)):</p> <ul style="list-style-type: none"> Consumer-friendly display is present <p><i>If display is a shoppable services list:</i></p> <p>1. Required data elements (45 CFR §180.60(b)):</p> <ul style="list-style-type: none"> Plain-language descriptions Payer-specific negotiated charges clearly associated with the name of the third party payer and plan Discounted cash prices** De-identified minimum negotiated charges De-identified maximum negotiated charges Any primary code used by the hospital for accounting or billing purposes <p>2. Location and accessibility requirements (45 CFR §180.60(d)):</p> <ul style="list-style-type: none"> List is on publicly available website List is free of charge No user account or password is needed to access the list No personally identifying information (PII) is needed to access the list Searchable by service description, billing code, and payer <p>**A hospital must post its gross charges if the hospital has not established discounted cash prices.</p>	<p><i>If display is a price estimator tool:</i></p> <p>1. Requirements of price estimator tool (45 CFR §180.60(a)(2)):</p> <ul style="list-style-type: none"> Allows consumers to obtain an estimate*** of the amount they will be obligated to pay the hospital for the shoppable service Tool accessible without charge and without having to register or establish a user account or password <p>***In accordance with CMS guidance (86 FR 63954), an estimate is a single price and not a range.</p>

Between September and November 2022, CMS assessed websites of 600 randomly selected hospitals

- 493 (82%) met consumer-friendly display rule requirements
- 490 (82%) met MRF rule requirements
- 421 (70%) met both

Turquoise Health State of Price Transparency



6,357 Total Hospitals	5,763 posted MRF	90.7%
	5,280 have negotiated rates	83.1%
	4,911 have cash rates	77.3%
650 Total Health Systems	5,109 have surgery rates	80.4%
	5,134 have imaging rates	80.8%
	5,170 have BUCAH rates	81.3%
1,119,207,976 Total Negotiated Rates	4,137 have DRG rates	65.1%
	4,412 have drug rates	69.4%

Through the end of 2023

Patient Rights Advocate – Compliance Report

The Sixth Semi-Annual Hospital Price Transparency Compliance Report February 2024

The federal Hospital Price Transparency Rule,¹ which took effect on January 1, 2021, requires hospitals to post all prices online, easily accessible and searchable, in the form of (i) a single machine-readable standard charges file for all items, services, and drugs by all payers and all plans, the de-identified minimum and maximum negotiated rates, and all discounted cash prices, as well as (ii) prices for the 300 most common shoppable services either as a consumer-friendly standard charges display listing actual prices or, alternatively, as a price estimator tool.

Combined with requirements for disclosure of systemwide prices and historical claims in the Transparency in Coverage Rule (TiC)² and the Consolidated Appropriations Act of 2021 (CAA)³, respectively, the Hospital Price Transparency Rule is intended to empower healthcare consumers – patients, employers, and unions as purchasers – with ease of access to compare prices.

Our latest review, conducted three years after the Hospital Price Transparency Rule took effect, analyzed the websites of 2,000 U.S. hospitals and found only 34.5% of them (689) to be fully compliant with all requirements of the rule. Although the majority of hospitals have posted files, the widespread noncompliance of 65.5% of hospitals is due to files being incomplete or not having prices clearly associated with both payer and plan. Eighty-seven of the hospitals reviewed for this report had no usable standard charges file.

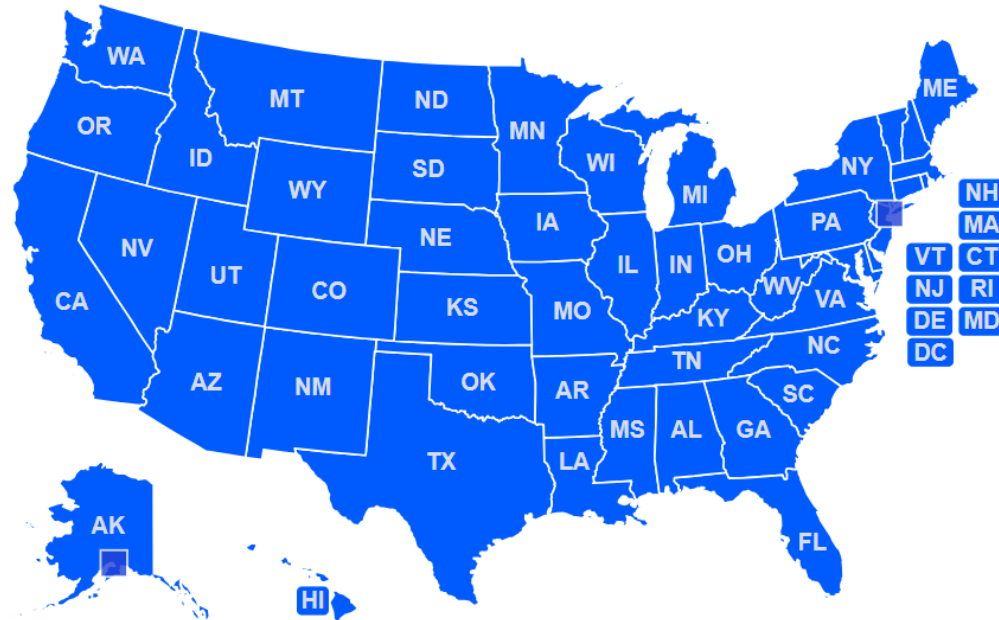
Table 1: Hospital Compliance			
Report Date	Hospitals Reviewed	Compliant Hospitals	Percentage Compliant
Feb. 2024	2,000	689	34.5%
July 2023	2,000	721	36.0%
Feb. 2023	2,000	489	24.5%
Aug. 2022	2,000	319	16.0%
Feb. 2022	1,000	143	14.3%
July 2021	500	28	5.6%

Disclosure of all actual prices for all data fields, including all negotiated rates, minimums and maximums, and discounted cash prices, allows for both machine- and human-readable access for comparisons. These critical data empower consumers to spot wide price variations for the same care. Industry research identified vast price discrepancies, with the price of a Caesarian Section ranging from \$6,241 to \$60,584, within the same hospital.⁴ Similarly, the price of an Emergency Room visit at Boston area hospitals can vary by thousands.⁵ Our Price Variation Report validated such findings in a study comparing prices from 100 hospitals, finding that prices varied by 10x within the same hospital and 31x across hospitals within a region.⁶ Also, discounted cash prices have been found to be 39% lower than the lowest insured commercial rates.⁷

With full transparency, consumers can benefit from competition to make informed decisions, protect from overcharges, billing errors, and fraud, and lower their costs. Employer and union plans can use pricing and claims data to improve their plan designs and direct members to lower

¹ Health and Human Services Department. Medicare and Medicaid Programs: CY 2020 hospital outpatient PPS policy changes and payment rates and ambulatory surgical center payment system policy changes and payment rates. November 27, 2019.
² Treasury Department, Labor Department, Health and Human Services Department: Transparency in Coverage. Oct. 29, 2020.
³ Consolidated Appropriations Act of 2021. Dec. 27, 2020. “
⁴ The Wall Street Journal. “How Much Does a C-Section Cost? At One Hospital, Anywhere From \$6,241 to \$60,584.”
⁵ The Wall Street Journal. “Three Miles and \$400 Apart: Hospital Prices Vary Wildly Even in the Same City.”
⁶ December 2023, Price Variation Report, PatientRightsAdvocate.org, <https://www.patientrightsadvocate.org/pricevariationreport>
⁷ Dec. 2019, HMP, [The Transformative Potential for Price Transparency in Healthcare: Benefits for Consumers and Providers](https://www.patientrightsadvocate.org/pricevariationreport)

State by State Hospital Compliance



Updated as of February 2024

Information based on [PatientRightsAdvocate.org's Semi-Annual Hospital Price Transparency Report](https://www.patientrightsadvocate.org/semi-annual-hospital-price-transparency-report)

Patient Rights Advocate - Pushback (HFMA)

All or nothing vs. substantive compliance

Plan-specific contracted rates – not required until 07/01/2024

“Human readable access” vs. machine readable files

PRA not transparent regarding its sampling, analysis, and validation processes



HOW TO SHOP

*You Now Have The Right to Lower your Healthcare Costs
by Getting Upfront Prices and Shopping*

Before going to a hospital or hospital-owned clinic, look for prices online at competitive facilities. Ask for the total price up front.

- Prices can vary by thousands of dollars at the same facility.
- The discounted cash price is often substantially lower than insurers' negotiated rates! Ask for both and choose the best price.

If the facility will not provide price information, show them [the government's rule](#) which says they must post their prices.

Ask for the total "bundled" price, including all anesthesia, labs, radiology, medical devices, physician fees, and facilities fees.

Do not accept estimates or averages, only actual prices. You should not be asked to give any personal information (such as your name and insurance plan) in order to get the price.

Patient Rights Advocate – Price Variation



**PATIENT RIGHTS
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Price Variation Report

Prices Vary by 10 Times Within the Same Hospitals
and Vary by 31 Times Across Hospitals Within the Same
States for Common Medical Procedures

December 2023



Minimum to Maximum and Average Price Variations of Common Medical Services Within the Same Hospitals and Across Hospitals in the Same States

	Average Variation for All Procedures	Appendectomy (MS-DRG 343)	Arthroscopic Knee Surgery (CPT 29877)	Caesarean Section (MS-DRG 788)	Cataract Surgery (CPT 66984)	MRI of Lower Extremity Without Contrast (CPT 73721)
Within the Same Hospitals	Min to Max Variation	5x to 32x	3x to 13x	3x to 8x	5x to 9x	11x to 27x
	Average Variation	10.7x	16.3x	6.0x	5.9x	6.8x
Across Hospitals in Same States	Min to Max Variation	6x to 90x	12x to 57x	4x to 80x	9x to 136x	16x to 78x
	Average Variation	31.3x	34.7x	26.7x	18.0x	42.7x

Source: Hospital pricing files evaluated in PatientRightsAdvocate.org's July 2023 Fifth Semi-Annual Hospital Price Transparency Compliance Report. Links to hospital price files available in Appendix

Lower Costs, More Transparency Act

- Provides statutory basis for current price transparency regulations
 - Eliminate price estimator option
- Extends requirements to clinical laboratories, imaging service providers, and ASCs
- Transparency requirements for pharmacy benefit managers
 - Must report semi-annually to plan sponsors regarding spending, rebates, and fees associated with covered drugs
 - Contracts between PBMs and employer-sponsored health plans must permit plan fiduciaries to audit certain claims and cost information
- Site neutral payments for drug administration

State Action

- Adopting requirements similar to federal price transparency requirements
 - Failure to comply considered unfair trade practice
- Imposing additional financial penalties for violations of federal transparency requirements
- Prohibiting non-compliant hospitals from pursuing collection actions
- Requiring hospitals to post rate comparisons (e.g., percentage of applicable Medicare reimbursement)
- Mandating hospitals inform patients if cost-sharing for covered service exceeds self-pay cash prices
- Expanding requirements to additional provider types (e.g., ASCs, medical practices)



Our Next Healthcare Regulatory Round-Ups

May 8 – FY2025 Proposed Rules

May 22 – MIPS Refresher Course

June 5 – Getting Paid to Address Social Determinants of Health

Thank you for attending!

PYA's subject matter experts discuss the latest industry developments in our popular Healthcare Regulatory Roundup webinar series twice each month.

For on-demand recordings of this and all previous HCRR webinars, and information on upcoming topics and dates, please follow the link below.

<https://www.pyapc.com/healthcare-regulatory-roundup-webinars/>



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