HealthCatalyst

What's Next for Hospital Price Transparency in 2024 and Beyond

Jennifer Bishop, RHIT, CCS, CCS-P, CHRI

VP, Vitalware Product Content

Stacey Jenkins

Chief Compliance Officer

Corporate Counsel

HealthCatalyst

Disclaimer Statement

This webinar/presentation was current at the time it was published or provided via the web and is designed to provide accurate and authoritative information regarding the subject matter covered. The information provided is only intended to be a general overview with the understanding that neither the presenter nor the event sponsor is engaged in rendering specific coding advice. It is not intended to take the place of either the written policies or regulations. We encourage participants to review the specific regulations and other interpretive materials, as necessary.

Agenda

- Current Hospital Price Transparency Requirements
- New Requirements for Display of Hospital Standard Charges and Defined Timeframes for Compliance
- New Requirements to Improve Enforcement
- Questions
- References

Current Hospital Price Transparency Requirements

Current Hospital Price Transparency Requirements

- Beginning January 1, 2021, the Hospital Price Transparency Final Rule established requirements for hospitals to make public their standard charges in two ways:
  - As a comprehensive machine-readable file
    - Single machine-readable digital file containing five standard charges for all items and services provided by the hospital
    - File format must be .JSON, .XML, or .CSV
    - Required file naming convention (<ein>_<hospitalname>_standardcharges)
    - File must be updated annually
  - In a consumer-friendly format – Display of at least 300 “shoppable services” that a healthcare consumer can schedule in advance
    - Must contain plain-language descriptions of services and group them with ancillary services
    - Not required if hospital has a price estimator tool

Current Hospital Price Transparency Requirements

- Information must be posted to a publicly-available website
- Information must be displayed in a prominent manner and clearly identified with the hospital location associated with the information
- Information must be easily accessible without barriers
  - No charge for accessing information
  - No username/password required
  - No need to submit personal identifying information
  - Information within the file must be digitally searchable

Current Hospital Price Transparency Requirements

- CMS monitors for compliance through their own audits and through complaints received from individuals or entities
- Hospital non-compliance is addressed through CMS actions
  - Written warning notice of specific violations
  - Request for corrective action plan
  - Civil monetary penalties (CMP)
    - Maximum daily CMP of $300 for hospitals with 30 or fewer beds
    - Maximum daily CMP of $10 x number of beds for hospitals with 31-550 beds
    - Maximum daily CMP of $5,500 for hospitals with 551+ beds
  - Publication of imposed civil monetary penalties to a public website

New Requirements for January 1, 2024

HealthCatalyst

New Requirements for January 1, 2024

- Good Faith Effort
  - Each hospital must make a good faith effort to ensure that the standard charge information encoded in the machine-readable file is true, accurate, and complete as of the date indicated in the machine-readable file.

Requirements to Improve Automated Access to the MRF - January 1, 2024

- A .txt file in the root folder (base URL of the website) that includes a standardized set of fields
  - 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)
  - Hospital point of contact information
- Footer Link
  - The public website must include 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 web page that hosts the link to the MRF.

New Requirements for July 1, 2024

HealthCatalyst

New Requirements for July 1, 2024

- Require display of standard charge information using a CMS Template layour in .json or .csv format, data specifications, and data dictionary
  - Template, data dictionary, and other technical instructions can be found at github https://github.com/CMSgov/hospital-price-transparency/tree/master/documentation
- CMS-defined affirmation statement in the MRF that the information displayed is true, accurate, and complete as of the date indicated in the file

Required Data Elements – July 1, 2024

- General data elements
  - Hospital name(s) – Legal business name of the hospital
  - Hospital license number(s) and two-letter state code issuing the license
  - Location name(s) and addresses(es) under the hospital license number
    - Location names and addresses must include all inpatient facilities and stand-alone emergency departments at minimum
  - Version number of the CMS template used
  - Date of the most recent update to the machine-readable file

Required Data Elements – July 1, 2024

- Standard Charge data elements
  - Gross Charge – The charge for an individual item or service that is reflected on a hospital's chargemaster, absent any discounts
  - Discounted Cash – The charge that applies to an individual who pays cash for a hospital item or service
  - Standard Charge Methodology – The type of contract arrangement associated with the payer-specific negotiated charge
    - Valid values: Case Rate, Fee Schedule, Percent of Total Billed Charges, Per Diem, and Other
  - Payer-Specific Negotiated Charge – Charge expressed as a dollar amount, percentage or algorithm that hospital has negotiated for an item or service
  - Minimum – The lowest charge a hospital has negotiated with all 3rd-party payers for an item or service
  - Maximum – The highest charge a hospital has negotiated with all 3rd-party payers for an item or service

Required Data Elements – July 1, 2024

- Standard Charge data elements
  - Payer Name – The name of the 3rd-party payer that is legally responsible for payment of a claim for a healthcare item or service
  - Plan Name – May be indicated as categories (e.g., all PPO Plans) when payer-specified negotiated charges apply to each plan in the category
  - Additional Generic Notes - A free text data element to help explain any of the data that aids in the comprehension of the standard charges

Required Data Elements – July 1, 2024

- Item & Service data elements
  - General Description - The description of the item or service that corresponds to the standard charge the hospital has established.
  - Setting - The place where the item or service is provided for the associated standard charge amount
    - Valid Values: Inpatient, Outpatient, or Both

Required Data Elements – July 1, 2024

- Coding data elements
  - Billing/Accounting Codes - Any code used by the hospital for purposes of billing or accounting for the item or service
  - Code Type – Used to clarify type of billing or accounting code
    - Current Procedural Terminology (CPT)
    - National Drug Code (NDC)
    - Revenue Code (RC)
    - International Classification of Diseases (ICD)
    - Diagnosis Related Groups (DRG)
    - Medicare Severity DRG (MS-DRG)
    - Refined DRG (R-DRG)
    - Severity DRG (S-DRG)
    - TriCare DRG (TRIS-DRG)
    - All Patient Severity-Adjusted DRG (APS-DRG)
    - All Patient Refined DRG (APR-DRG)
    - Ambulatory Payment Classification (APC)
    - Local Code Processing (LOCAL)
    - Enhanced Ambulatory Patient Grouping (EAPG)
    - Health Insurance Prospective Payment System (HIPPS)
    - Current Dental Terminology (CDT)
    - Charge Description Master (CDM)

Required Data Elements – July 1, 2024

- Affirmation in the MRF
  - CMS-defined affirmation statement in the MRF that the information displayed is true, accurate, and complete as of the date indicated in the file
    - Required Statement: To the best of its knowledge and belief, the hospital has included all applicable standard charge information in accordance with the requirements of 45 CFR 180.50, and the information encoded is true, accurate, and complete as of the date indicated.
    - Value of “True” or “False” entered by hospital

New Requirements for January 1, 2025

HealthCatalyst

Required Data Elements – January 1, 2025

- Estimated Allowed Amount - The average dollar amount that the hospital has historically received from a 3rd-party payer for an item or service
  - Required when the standard charge methodology is percentage or algorithm
  - CMS will allow hospitals flexibility in calculating this amount, but they agree that using EDI 835 data would appear to meet this requirement
  - CMS recommends that the hospital encode 999999999 in the data element value to indicate that there is not sufficient historic claims history to derive the expected allowed amount, and then update the file when sufficient history is available.
  - CMS Cell Suppression Policy is recommended as a guideline for establishing sufficient history
    - Requires at least 11 instances before data can be displayed

Required Data Elements – January 1, 2025

- Drug Information
  - Drug Unit of measurement - The unit value that corresponds to the established standard charge for drugs
  - Drug Type of Measurement - The measurement type that corresponds to the established standard charge for drugs as defined by either the National Drug Code or the National Council for Prescription Drug Programs

Standard Name	Reporting Value
GR	Grams
ME	Milligrams
ML	Milliliters
UN	Unit
F2	International Unit
EA	Each
GM	Gram

Required Data Elements – January 1, 2025

- Modifier Code - Two-digit code
- Modifier Description – The common name of the modifier
- Modifier Payer Information – Description of how the modifier may change the standard charge for the specified payer/plan
  - For example, modifier 50 applies 150% change to the standard charge amount
  - Modifiers that impact the standard charge will be required

Optional Data Elements

Optional Data Elements

- Financial Aid Policy – Information may be displayed as a description or as a link to the financial aid policy on the hospital's website
- Billing Class – The type of billing for the item or service
  - Valid Values: Professional, Facility, or Both

Monitoring and Assessment

Only CMS can make a determination as to a hospital's compliance with the Hospital Price Transparency requirements

Monitoring and Assessment Changes

- Addition of activities that may be used to monitor and assess for compliance
  - CMS may conduct a comprehensive compliance review of standard charge information posted on a publicly available website
  - Use of audits will be retained
- Upon request, CMS may require an authorized representative of the hospital to submit a certification as to the accuracy and completeness of the standard charge information posted in the machine-readable file
- Hospitals will be required to acknowledge receipt of warning notices issued by CMS by the deadline specified in the warning notice
- CMS may notify health system leadership when action is taken against a hospital that is part of a larger health system

Monitoring and Assessment Changes

- Expansion of publicized information related to hospitals' compliance
  - CMS' assessment of a hospital's compliance
  - Any compliance action taken against the hospital
  - The status or outcome of the compliance action
  - Notifications sent to health system leadership

Questions?

Jennifer Bishop

hcwebinars@healthcatalyst.com

References

Implementation Timeline

MRF INFORMATION		
Requirement	**Regulation Cite**	**Implementation Date**
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

HOSPITAL INFORMATION		
Requirement	**Regulation Cite**	**Implementation Date**
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

Implementation Timeline

STANDARD CHARGES		
Requirement	**Regulation Cite**	**Implementation Date**
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

Implementation Timeline

ITEM & SERVICE INFORMATION		
Requirement	**Regulation Cite**	**Implementation Date**
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

CODING INFORMATION		
Requirement	**Regulation Cite**	**Implementation Date**
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
Modifier(s)	45 CFR 180.50 (b)(2)(iv)(C)	January 1, 2025

Implementation Timeline

OTHER HOSPITAL PRICE TRANSPARENCY REQUIREMENTS		
Requirement	**Regulation Cite**	**Implementation Date**
Good Faith Effort	45 CFR 180.50 (b)(2)(ii)	January 1, 2024
Affirmation in the MRF	45 CFR 180.50 (b)(2)(ii)	July 1, 2024
Text File	45 CFR 180.50 (b)(2)(ii)(A)	January 1, 2024
Footer Link	45 CFR 180.50 (b)(2)(ii)(A)	January 1, 2024

Helpful Websites

Hospital Price Transparency - https://www.cms.gov/hospital-price-transparency/hospitals

Hospital Price Transparency Resources including Machine Readable File Formats and Data Dictionary - https://www.cms.gov/priorities/key-initiatives/hospital-price-transparency/resources

CY 2024 OPPS Final Rule - https://www.federalregister.gov/public-inspection/2023-24293/medicare-program-hospital-outpatient-prospective-payment-and-ambulatory-surgical-center-payment