



**American Hospital
Association™**

Advancing Health in America

Hospital Price Transparency

November 19, 2022

Federal Hospital Price Transparency

- Overview
- Implementation
- Compliance and Progress
- Future



Price Transparency Rules

- Hospital price transparency was developed to “provide ***clear, accessible pricing information*** online about the items and services” that a hospital provides

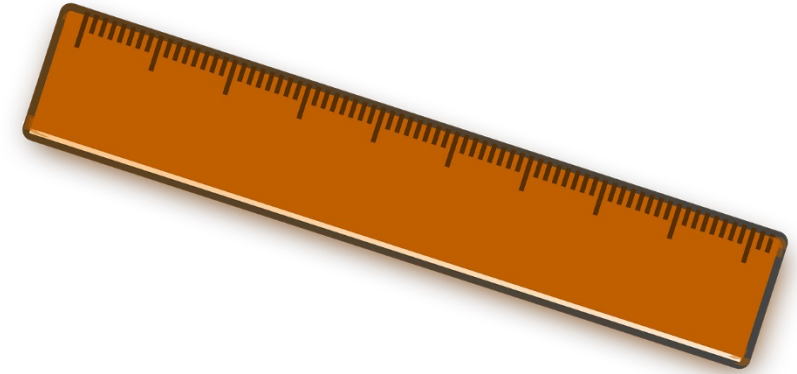


Hospital Price Transparency Rule – Implementation

- Price transparency rule took effect Jan. 1, 2021
 - COVID-19
 - Lack of clarity on formatting and other reporting issues
- CMS Compliance Reviews:
 - proactive audits of hospital websites
 - Review of complaints on CMS Hospital Price Transparency Website
- Enforcement:
 - Warning/Notice
 - Corrective Action Plan
 - Civil Monetary Penalties
- 2023 OIG Report
 - Will assess current enforcement processes

Hospital Compliance and Progress

- The Centers for Medicare and Medicaid Services is the only entity that can deem a hospital compliant
 - Detailed Review
 - Complex Files
 - Contractual Idiosyncrasies
 - Formatting discrepancies
- Through collaborative approaches, CMS has worked with hospitals to ensure compliance.
 - June 2022: Actively working with over 160 hospitals to meet compliance
 - Released additional resources, produced in consultation with hospitals
 - Voluntary file-formats
 - Data dictionaries



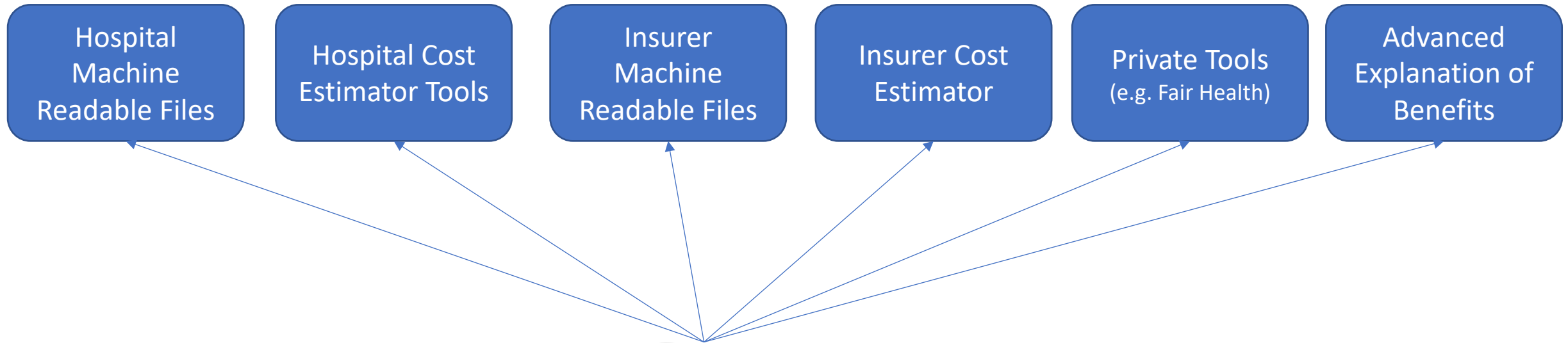
Future - What should be done?

Goal: “Empowering patients with the necessary information to make informed health care decisions.”

- Centers for Medicare and Medicaid Services**



Where can a patient turn for pricing information?



Additional Legislation and Regulation is Not the Answer

- **Oversaturation:** More data and more reporting mechanisms not inherently better
 - Numerous sources of information currently available
 - No Surprises Act Advanced Explanation of Benefits
- **Premature**
 - Turquoise Health: “Twenty-four months ago, many doubted if the price transparency rules would survive the US Court of Appeals. Now, we’ve seen most of the largest health systems and payers in the United States publish negotiated prices for all items and services. For a historically slow-moving industry, this feels like Formula1 speeds”



<https://blog.turquoise.health/hospital-compliance-assessments/>

Streamlining and Identifying Optimal Tool Usage

IMPERITIVE that the industry creates alignment and makes sense of the varied patient price estimate tools

- Health Care Financial Literacy
 - Patients need to know what resources are available and what they mean/do not mean
- Patients need clear direction as to where to go for a particular type of pricing information
 - Differences in reported estimates creates patient confusion

