

Dallas/Ft. Worth Hospital Council

Are You Ready?

Compliance with New Price Transparency Requirements for Hospitals

June 6, 2024

Original Requirements





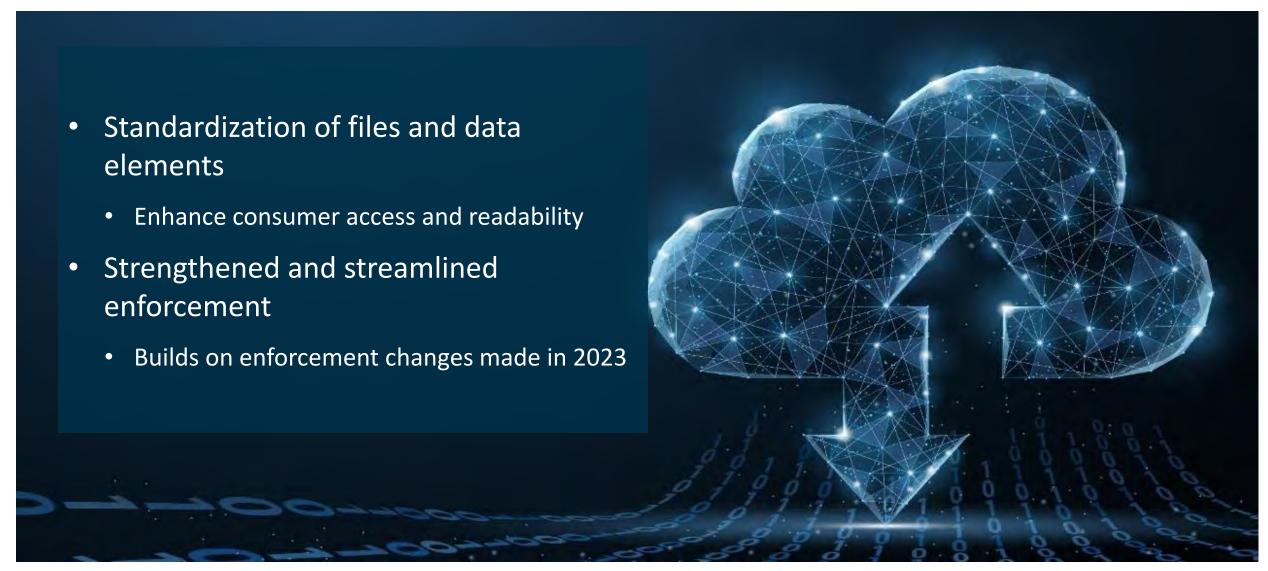
Compliance required January 1, 2021

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

CY 2024 OPPS Final Rule







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

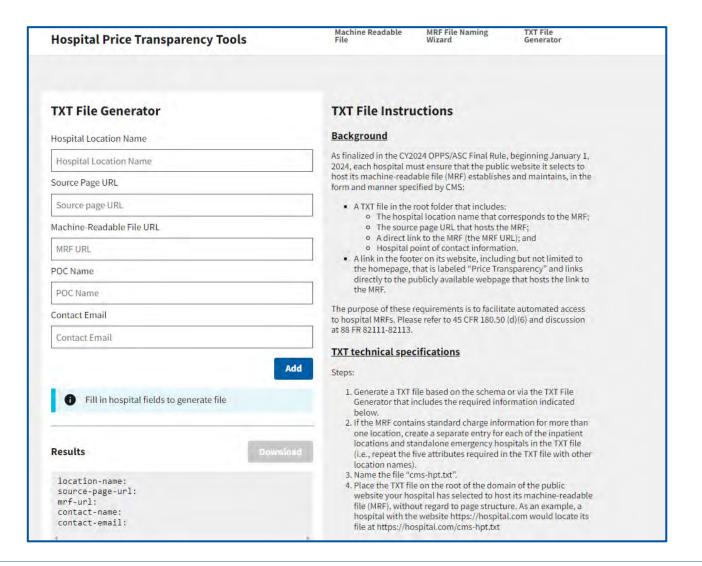
Hospital Price Transparency Tools GitHub





Source

https://cmsgov.github.io/hpttool/txt-generator/



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





- Report "estimated allowed amount" when payer negotiated rate is based on algorithm or percentage
 - o 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
	MRF INFORMATION	
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
H	IOSPITAL INFORMATION	
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
	STANDARD CHARGES	
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
ITEN	A & SERVICE INFORMATION	
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	
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



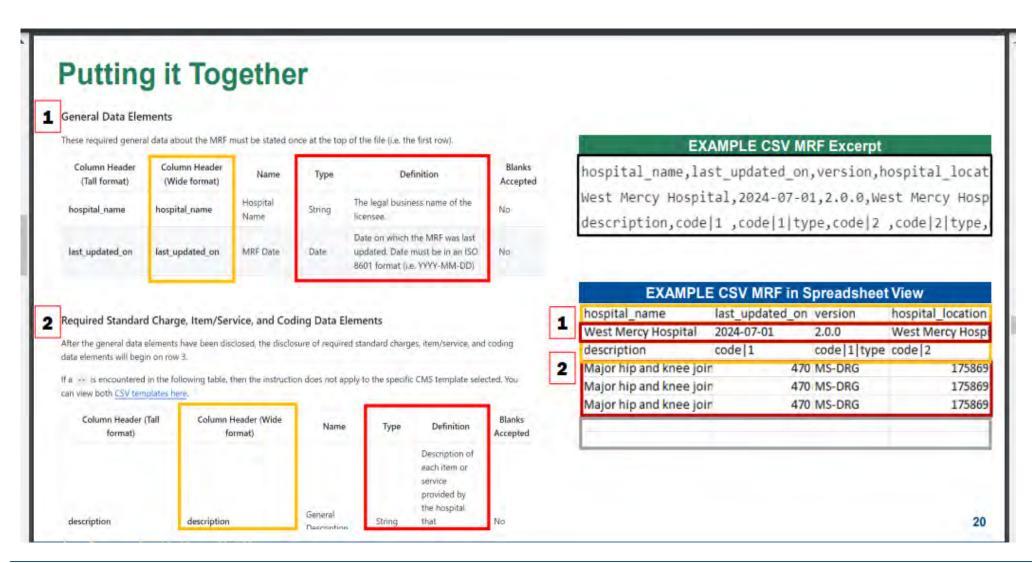


TABLE 151B: Implementation Timeline for Other New Hospital Price Transparency Requirements

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

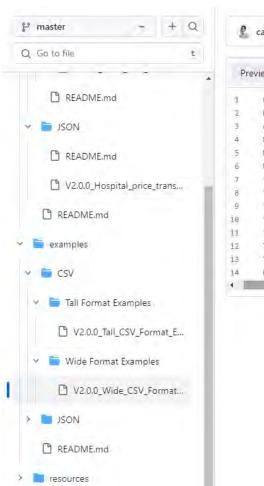
CMS Template Layout & Encoding Standard Charge Information





V2.0.0_Wide_CSV_Format_Example.csv

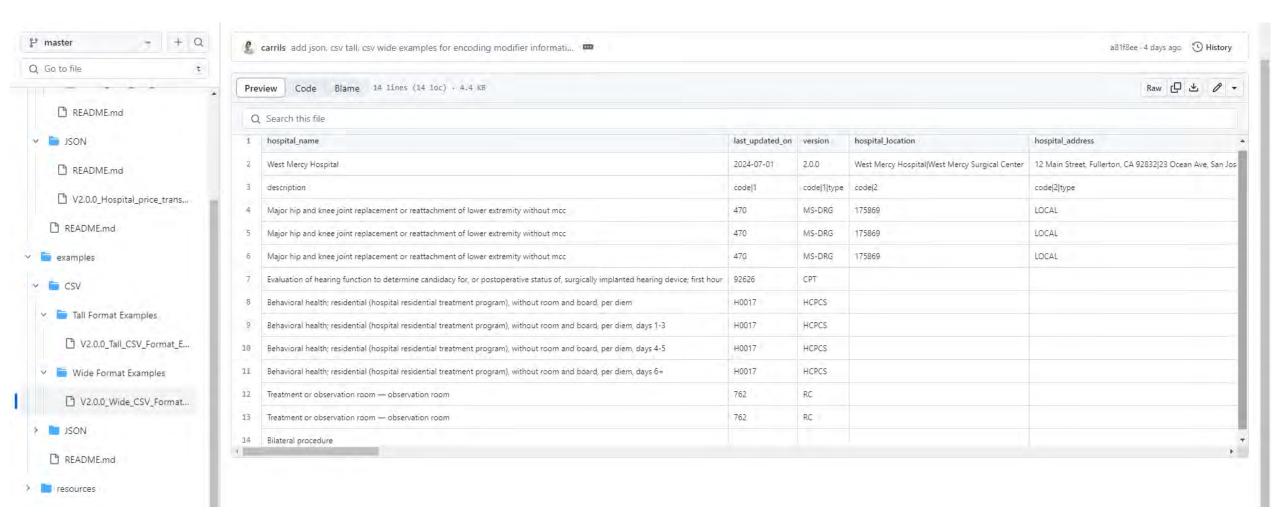






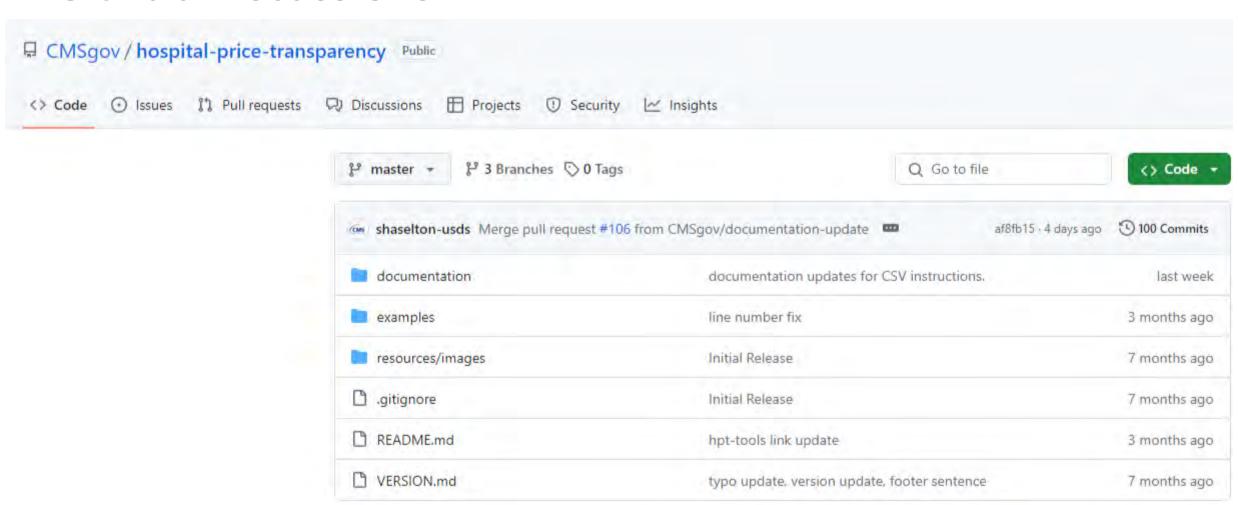
V2.0.0_Wide_CSV_Format_Example.csv













Services defined only by thousands of ICD Codes #63



JaSimps5 asked this question in Q&A



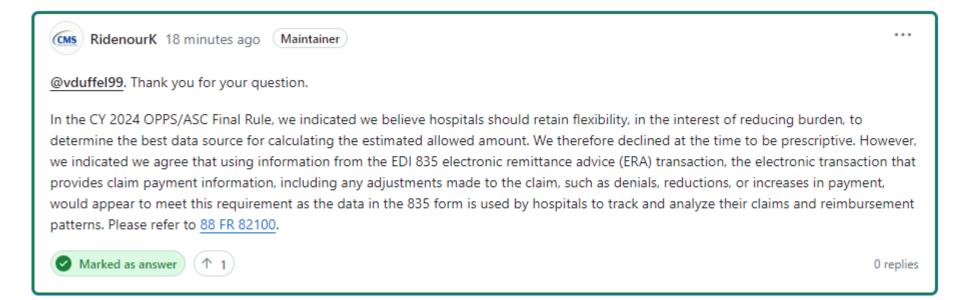
JaSimps5 last week

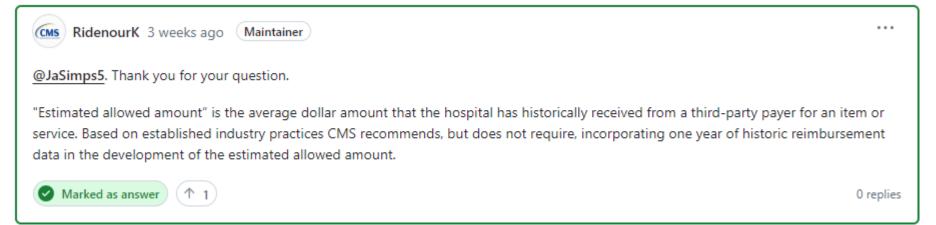
I have a payer contract that identifies some services such as PTCA and Coronary Surgery by a list of ICD10 codes only. Coronary Surgery's list is almost 4k codes long. None of these will have a standard gross charge amount and the reimbursement is a case rate so I'm curious how these should be handled 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

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.











MS2606 2 weeks ago

There is a mention of using single indicator in the FAQs through-out the MRF for the cells where the charges or rates are unavailable, for example gross charges for surgery or MS DRGs where CMS does not want hospitals to average the charges. Could you expand on what would be the acceptable single indicator for these blank cells so that MRF can run through validator without having any missing property errors. Thank you





CMS RidenourK 2 weeks ago

Maintainer

@MS2606. Thank you for your question.

As indicated in the JSON documentation, the minimum, maximum, gross_charge, and discounted_cash attributes are not required attributes if you have no applicable data to encode. Leaving these attributes blank should not produce errors when running an MRF through the Online Validator if the MRF adheres to the technical specifications, including the conditional requirements, found in the Hospital Price Transparency Data Dictionary GitHub Repository, Please refer the JSON examples for examples of how to encode these attributes.

CMS strongly recommends hospitals start by downloading one of the template layouts or schema to create the machine-readable file, as opposed to converting an existing file.



Marked as answer







CMS RidenourK 4 days ago

Maintainer

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@MS2606. Thank you for your question.

If a hospital has not established **any** of the five standard charges for a hospital item or service, the hospital is not required to include that item or service in the MRF. Please only include hospital items and services for which you have established a standard charge.

As indicated on this Hospital Price Transparency – Data Dictionary GitHub repository, the following are additional reminders to avoid common errors in MRFs:

- Encode valid values as instructed in the Hospital Price Transparency- Data Dictionary GitHub repository. Values encoded incorrectly will generate a deficiency.
- Do not insert a value or any type of indicators (e.g., "N/A" or "0") if the hospital does not have applicable data to encode. If you would like to include an explanation for the blanks, you may do so using Additional Generic Notes or Additional Payer-Specific Notes.
- If the valid value is 'numeric' (such as for Payer-Specific Negotiated Charge: Dollar Amount), inserting anything other than a number (such as inserting a dollar sign with a number) will generate a deficiency. Similarly, if the valid value is 'enum' (such as for Code Type), inserting anything other than the values indicated (such as inserting 'other') will generate a deficiency.
- All "Numeric" data elements must be positive numbers. Entering a negative number or "0" will generate a deficiency.

Please review the conditional requirements as well.

Updated Hospital Price Transparency FAQs are forthcoming.









■ ■ knh762002 5 days ago

edited -

This text is listed in the CSV documentation...

"Do not insert a value or any type of indicators (e.g., "N/A") if the hospital does not have applicable data to encode. If you would like to include an explanation for the blanks, you may do so using Additional Generic Notes or Additional Payer-Specific Notes."

https://github.com/CMSgov/hospital-price-transparency/tree/master/documentation/CSV

Hopefully this helps move you in the right direction before somebody from CMS is able to respond.







CMS RidenourK last month

Maintainer

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@vduffel99. Thank you for your question.

As indicated in the CY 2024 OPPS/ASC Final Rule, based on our experience in enforcing the requirements of the regulation, we have learned that most commercial contracting methods result in a hospital's ability to identify and display as a dollar figure the payer-specific negotiated charges they have established with third party payers. For example, a negotiated rate is established as a dollar amount for an item or service or service package (that is, the 'base rate'), or is established as a percent discount off the gross charge for each item or service provided, or as a percentage of the Medicare rate which can be translated and displayed by the hospital as a standard dollar amount.

At other times, however, hospitals and payers establish the payer-specific negotiated charge by agreeing to an algorithm that will determine the dollar value of the allowed amount on a case-by-case basis after a pre-defined service package has been provided. This means that the standard charge that applies to the group of patients in a particular payer's plan can only prospectively be expressed as an algorithm, because the resulting allowed amount in dollars will be individualized on a case-by-case basis for a pre-defined service package, and thus cannot be known in advance or displayed as a rate that applies to each member of the group.... when no standard dollar amount is available, we have allowed hospitals to make public the standard algorithm that applies to the group. When a hospital has established a payer-specific negotiated charge that can only be expressed as a percentage or algorithm, it must display alongside that percentage or algorithm an 'estimated allowed amount' in dollars for that payer/plan for that particular item or service. Please refer to the discussion beginning at 88 FR 82099.

Please refer to the "Examples" available on this the CMS Hospital Price Transparency - Data Dictionary GitHub repository for examples of different ways hospitals could encode DRGs.





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)





lospital or = lospital	Hospital ID number	# Hospital or # Hospital	Hospital City	 Hospital State/Territor 	÷	Action taken by CMS Followin	Date of Action	3
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	Phoeníx	AZ		Met Requirements	2023-03-07	
	First	8 Previous	1	of 284	N	ext > 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-Readabl Rule Requirements Assessed		Consumer-Friendly Display Rule Requirements Assessed			
General requirements (45 CFR §180.50(a)): File is present		General requirements (45 CFR §180.60(a)): Consumer-friendly display is present			
Required data elements (45 CFR §180.50(b)): Description of items and sere. Gross charges Payer-specific negotiated charges and plan De-identified minimum negocharges De-identified maximum negocharges De-identified maximum negocharges Discounted cash prices* Any code used by the hospital accounting or billing purpose	I. Required data elements (45 CFR §180.60(b)): 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	If display is a price estimator tool. 1. Requirements of price estimator tool (45 CFR §180.60(a)(2)): • 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			
Format requirements (45 CFR. §180.50(c)): File is a single digital file in machine-readable format		without having to register or establish a user account or password			
4. Location and accessibility requirements (45 CFR §180.50(d) • File is on a publicly available website • File is free of charge • No user account or passworn needed to access the file • No personally identifying information (PII) is needed access the file • File is directly downloadable *In accordance with the regulation, hospitals are required to post a discordance, as applicable. The final received.	le 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 unted **A hospital must post its gross	***In accordance with CMS guidance (86 FR 63954), an estimate is a single price and not a range.			
acknowledges that not all hospitals in have established a discounted cash pr					

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

Source: https://blog.turquoise.health/moving-into-2024-state-of-price-transparency/



A national healthcare advisory services firm PYA Providing consulting, audit, and tax services