



HOSPITAL PRICE TRANSPARENCY

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OVERVIEW

History & Authority

Applicability

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Monitoring & Enforcement

Pending Litigation

HISTORY & AUTHORITY

March 23, 2010	Section 2718(e) of the Public Health Service Act is amended to require <i>hospitals operating within the United States</i> to establish, update, and make public a list of the hospital's standard charges for items and services provided. (42 U.S.C. 300gg-18)
August 22, 2014	Final rule encouraging hospitals to comply with the transparency requirements of Section 2718(e). (79 FR 50146)
August 17, 2018	Final rule requiring hospitals to publish list of standard services in a machine-readable format on their websites, effective 1/1/19. (83 FR 41144)
June 24, 2019	Executive Order issued by President Trump.
November 15, 2019	Final rule for hospital pricing transparency.

APPLICABILITY

Compliance Deadline
January 1, 2021

APPLICABILITY

Hospital

An institution in any State in which State or applicable local law provides for the licensing of hospitals and that is:

- (1) Licensed as a hospital pursuant to such law; or
- (2) Approved, by the agency of such State or locality responsible for licensing hospitals, as meeting the standards established for such licensing.

NOTE:

- Medicare enrollment/designation is not relevant.
- “State” includes District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.
- Does not include ambulatory surgical centers or other non-hospital-sites-of-care (although they are encouraged to comply).
- Includes all off-campus or outpatient departments operating under the hospital license/approval.
- Exception: Federally owned hospitals; hospitals operated by Indian Health Programs.

PUBLIC DISCLOSURE REQUIREMENTS

A hospital must make public the following:

1. A machine-readable file containing a list of all standard charges for all items and services....
2. A consumer-friendly list of standard charges for a limited set of shoppable services....

45 CFR § 180.40

PUBLIC DISCLOSURE REQUIREMENTS

A machine-readable file containing a list of all standard charges for all items and services. . . .

DEFINITIONS

Machine Readable

A digital representation of data or information in a file that can be imported or read into a computer system for further processing.

Examples: .XML, .JSON, and .CSV formats

Standard Charges

The regular rate established by the hospital for an item or service provided to a specific group of paying patients. Includes

- (1) Gross charges
- (2) Payer-specific negotiated charge
- (3) De-identified minimum negotiated charge
- (4) De-identified maximum negotiated charge
- (5) Discounted cash price

DEFINITIONS

Items & Services

All items and services, including individual items and services and service packages, that could be provided by a hospital to a patient in connection with an inpatient admission or an outpatient department visit for which the hospital has established a standard charge.

Examples: Supplies, procedures, room & board, facility fees, professional charges, any other item or service with an established standard charge.

Service Packages

An aggregation of individual items and services into a single service with a single charge.

PUBLIC DISCLOSURE REQUIREMENTS

A machine-readable file containing a list of all standard charges for all items and services....

List must include:

- Description of each item or service provided by the hospital
- All 5 standard charges for both inpatient and outpatient settings
- For payer-specific negotiated charges, must include name of the third-party payer and plan
- Code used by the hospital for accounting or billing (CPT, HCPCS, DRG, NDC)

List must be:

- Updated at least annually (clearly indicate date last updated)
- Published in a single digital file that is digitally searchable
- Easily accessible on a publicly available website, displayed prominently, with no barriers (no charge, no PII, no login)
- Named: <ein>_<hospital-name>_standardcharges.[json/xml/csv]

TABLE 1—SAMPLE DISPLAY OF GROSS CHARGES¹⁴²

Hospital XYZ Medical Center					
Prices Posted and Effective [month/day/year]					
Notes: [insert any clarifying notes]					
Description	CPT/ HCPCS Code	NDC	OP/ Default Gross Charge	IP/ER Gross Charge	ERx Charge Quantity
HB IV INFUS HYDRATION 31-60 MIN	96360		\$1,000.13	\$1,394.45	
HB IV INFUSION HYDRATION ADDL HR	96361		\$251.13	\$383.97	
HB IV INFUSION THERAPY 1ST HR	96365		\$1,061.85	\$1,681.80	
HB ROOM CHARGE 1:5 SEMI PRIV				\$2,534.00	
HB ROOM CHG 1:5 OB PRIV DELX				\$2,534.00	
HB ROOM CHG 1:5 OB DELX 1 ROOM				\$2,534.00	
HB ROOM CHG 1:5 OB DELX 2 ROOMS				\$2,534.00	
SURG LEVEL 1 1ST HR 04	Z7506			\$3,497.16	
SURG LEVEL 1 ADDL 30M 04	Z7508			\$1,325.20	
SURG LEVEL 2 1ST HR 04	Z7506			\$6,994.32	
PROMETHAZINE 50 MG PR SUPP	J8498	00713013212	\$251.13	\$383.97	12 Each
PHENYLEPHRINE HCL 10 % OP DROP		17478020605	\$926.40	\$1,264.33	5 mL
MULTIVITAMIN PO TABS		10135011501	\$0.00	\$0.00	100 Each
DIABETIC MGMT PROG, F/UP VISIT TO MD	S9141		\$185.00		
GENETIC COUNSEL 15 MINS	S0265		\$94.00		
DIALYSIS TRAINING/COMPLETE	90989		\$988.00		
ANESTH, PROCEDURE ON MOUTH	170		\$87.00		

PUBLIC DISCLOSURE REQUIREMENTS

A consumer-friendly list of standard charges for a limited set of shoppable services. . . .

DEFINITIONS

Shoppable Services

A service that can be scheduled by a healthcare consumer in advance.

Ancillary Services

An item or service a hospital customarily provides as part of or in conjunction with a shoppable primary service.

PUBLIC DISCLOSURE REQUIREMENTS

A consumer-friendly list of standard charges for a limited set of shoppable services

List must include:

- 70 CMS-specified shoppable services
- At least 230 additional hospital-selected shoppable services (300 total)
- Plain-language description of each shoppable service
- Indicator when one of the CMS-specified shoppable services is not offered
- All 5 standard charges for shoppable services for both inpatient and outpatient settings AND corresponding ancillary services
- For payer-specific negotiated charges, must include name of the third-party payer and plan
- Code used by the hospital for accounting or billing (CPT, HCPCS, DRG, NDC)
- Location where shoppable service is provided (IP/OP/Both)

TABLE 3—FINAL LIST OF 70 CMS-SPECIFIED SHOPPABLE SERVICES

Evaluation & Management Services	2020 CPT/HCPCS Primary Code
Psychotherapy, 30 min	90832
Psychotherapy, 45 min	90834
Psychotherapy, 60 min	90837
Family psychotherapy, not including patient, 50 min	90846
Family psychotherapy, including patient, 50 min	90847
Group psychotherapy	90853
New patient office or other outpatient visit, typically 30 min	99203
New patient office or other outpatient visit, typically 45 min	99204
New patient office or other outpatient visit, typically 60 min	99205
Patient office consultation, typically 40 min	99243
Patient office consultation, typically 60 min	99244
Initial new patient preventive medicine evaluation (18-39 years)	99385
Initial new patient preventive medicine evaluation (40-64 years)	99386
Laboratory & Pathology Services	2020 CPT/HCPCS Primary Code
Basic metabolic panel	80048
Blood test, comprehensive group of blood chemicals	80053
Obstetric blood test panel	80055
Blood test, lipids (cholesterol and triglycerides)	80061
Kidney function panel test	80069
Liver function blood test panel	80076
Manual urinalysis test with examination using microscope	81000 or 81001
Automated urinalysis test	81002 or 81003
PSA (prostate specific antigen)	84153-84154
Blood test, thyroid stimulating hormone (TSH)	84443
Complete blood cell count, with differential white blood cells, automated	85025
Complete blood count, automated	85027
Blood test, clotting time	85610

Coagulation assessment blood test	85730
Radiology Services	2020 CPT/HCPCS Primary Code
CT scan, head or brain, without contrast	70450
MRI scan of brain before and after contrast	70553
X-Ray, lower back, minimum four views	72110
MRI scan of lower spinal canal	72148
CT scan, pelvis, with contrast	72193
MRI scan of leg joint	73721
CT scan of abdomen and pelvis with contrast	74177
Ultrasound of abdomen	76700
Abdominal ultrasound of pregnant uterus (greater or equal to 14 weeks 0 days) single or first fetus	76805
Ultrasound pelvis through vagina	76830
Mammography of one breast	77065
Mammography of both breasts	77066
Mammography, screening, bilateral	77067
Medicine and Surgery Services	2020 CPT/HCPCS/DRG Primary Code
Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with major complications or comorbidities	216
Spinal fusion except cervical without major comorbid conditions or complications (MCC)	460
Major joint replacement or reattachment of lower extremity without major comorbid conditions or complications (MCC).	470
Cervical spinal fusion without comorbid conditions (CC) or major comorbid conditions or complications (MCC).	473
Uterine and adnexa procedures for non-malignancy without comorbid conditions (CC) or major comorbid conditions or complications (MCC)	743
Removal of 1 or more breast growth, open procedure	19120
Shaving of shoulder bone using an endoscope	29826
Removal of one knee cartilage using an endoscope	29881
Removal of tonsils and adenoid glands patient younger than age 12	42820
Diagnostic examination of esophagus, stomach, and/or upper small bowel using an endoscope	43235
Biopsy of the esophagus, stomach, and/or upper small bowel using an endoscope	43239
Diagnostic examination of large bowel using an endoscope	45378
Biopsy of large bowel using an endoscope	45380
Removal of polyps or growths of large bowel using an endoscope	45385
Ultrasound examination of lower large bowel using an endoscope	45391

Removal of gallbladder using an endoscope	47562
Repair of groin hernia patient age 5 years or older	49505
Biopsy of prostate gland	55700
Surgical removal of prostate and surrounding lymph nodes using an endoscope	55866
Routine obstetric care for vaginal delivery, including pre-and post-delivery care	59400
Routine obstetric care for cesarean delivery, including pre-and post-delivery care	59510
Routine obstetric care for vaginal delivery after prior cesarean delivery including pre-and post-delivery care	59610
Injection of substance into spinal canal of lower back or sacrum using imaging guidance	62322-62323
Injections of anesthetic and/or steroid drug into lower or sacral spine nerve root using imaging guidance	64483
Removal of recurring cataract in lens capsule using laser	66821
Removal of cataract with insertion of lens	66984
Electrocardiogram, routine, with interpretation and report	93000
Insertion of catheter into left heart for diagnosis	93452
Sleep study	95810
Physical therapy, therapeutic exercise	97110

PUBLIC DISCLOSURE REQUIREMENTS

A consumer-friendly list of standard charges for a limited set of shoppable services

List must be:

- Updated at least annually (clearly indicate date last updated)
- Displayed in a prominent manner on a publicly available website and easily accessible with no barriers (no charge, no PII, no login)
- Searchable by service description, billing code, and payer

Internet-based price estimator tool will meet requirement if:

- Provides estimates for the 300 shoppable services
- Allows consumers to obtain an estimate of amount they will be obligated to pay hospital for shoppable service
- Is prominently displayed on hospital's website and easily accessible with no barriers (no charge, no PII, no login)

TABLE 2—SAMPLE OF DISPLAY OF SHOPPABLE SERVICES

Hospital XYZ Medical Center			
Prices Posted and Effective [month/day/year]			
Notes: [insert any clarifying notes or disclaimers]			
Shoppable Service	Primary Service and Ancillary Services	CPT/ HCPCS Code	[Standard Charge for Plan X]
Colonoscopy	primary diagnostic procedure	45378	\$750
	anesthesia (medication only)	[code(s)]	\$122
	physician services	Not provided by hospital (may be billed separately)	
	pathology/interpretation of results	Not provided by hospital (may be billed separately)	
	facility fee	[code(s)]	\$500
Office Visit	New patient outpatient visit, 30 min	99203	\$54
Vaginal Delivery	primary procedure	59400	[\$]
	hospital services	[code(s)]	[\$]
	physician services	Not provided by hospital (may be billed separately)	
	general anesthesia	Not provided by hospital (may be billed separately)	
	pain control	Not provided by hospital (may be billed separately)	
	two day hospital stay	[code(s)]	[\$]
	monitoring after delivery	[code(s)]	[\$]

MONITORING & ENFORCEMENT



Monitoring

- Complaints
- Self-analysis
- Website audits



Enforcement

- Written warning
- Corrective action plan for material violations
- Impose CMP and publicize non-compliance



Civil Monetary Penalties

- Failure to submit or comply with corrective action plan
- Up to \$300 per day



Appeal

- Can appeal imposition of CMP
- Must request hearing within 30 days notice of intent to impose CMP

PENDING LITIGATION

- Filed 12/4/19 in U.S. District Court in Washington by American Hospital Association, Federation of American Hospitals, Association of American Medical Colleges, Children's Hospital Association, 3 hospitals in NE, CA, MO.
- Case 1:19-cv-03619 in the District of Columbia
- Challenged on the following grounds:
 - *Exceeds CMS's Statutory Authority.*
 - *Violates the First Amendment*
 - *Is Arbitrary and Capricious*

RESOURCES

Price Transparency Final Rule

<https://www.hhs.gov/sites/default/files/cms-1717-f2.pdf>

CMS FAQ

<https://www.cms.gov/newsroom/fact-sheets/cy-2020-hospital-outpatient-prospective-payment-system-opps-policy-changes-hospital-price>

CMS Press Release

<https://www.cms.gov/newsroom/press-releases/trump-administration-announces-historic-price-transparency-requirements-increase-competition-and>

Transparency in Coverage Proposed Rule

<https://www.hhs.gov/sites/default/files/cms-9915-p.pdf>

QUESTIONS



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