



Compliance with Hospital Price Transparency Final Rule: 8 Steps to a Machine-Readable File

August 2021

Presenter:

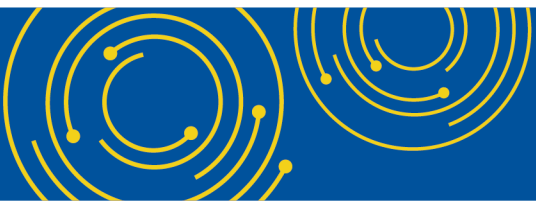
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Medical Officer
Centers for Medicare & Medicaid Services

Disclaimer

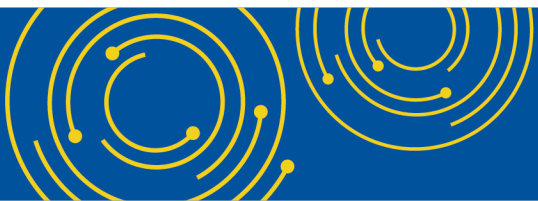
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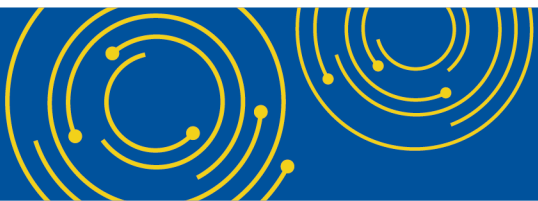


Hospital Price Transparency



Hospital Price Transparency Final Rule Introduction

- On November 15, 2019, CMS finalized policies that lay the foundation for a patient-driven health care system by making prices for items and services provided by all hospitals in the United States more transparent for patients so that they can be more informed about what they might pay for hospital items and services
- [Final rule](#):
 - Further advances the agency's commitment to increasing price transparency
 - Requirements apply to each hospital operating in the United States
 - Effective date is January 1, 2021
- The final rule implements Section 2718(e) of the [Public Health Service Act](#) and requires each hospital operating within the United States to establish (and update) and make public a yearly list of the hospital's standard charges for items and services provided by the hospital, including for diagnosis-related groups established under section 1886(d)(4) of the Social Security Act



Hospital Price Transparency Final Rule Overview

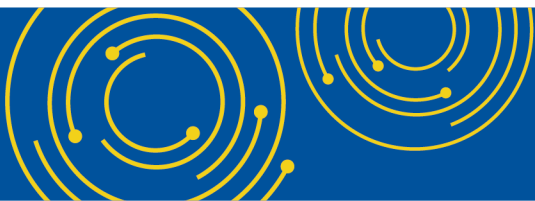
- Starting on January 1, 2021, each hospital operating in the United States is required to make this information available in two ways:

As a comprehensive machine-readable file with all items and services

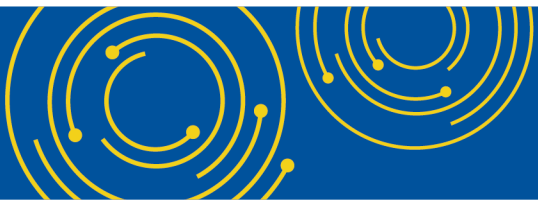
AND

As a display of shoppable services in a consumer-friendly format

- Prior guidance required hospitals to post their “chargemasters” online in a machine-readable format. The Hospital Price Transparency final rule requirements supersede the prior guidance.

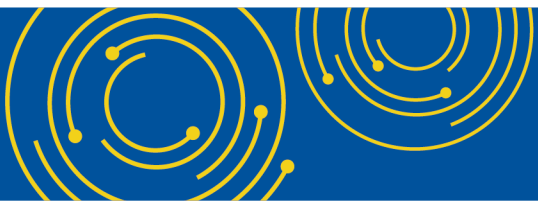


Eight Steps to a Machine-Readable File of All Items & Services



Step 1: Identify each hospital location

- Each hospital location operating under a single hospital license (or approval) that has a different set of standard charges than the other location(s) operating under the same hospital license (or approval) must **separately** make public the standard charges applicable to that location (45 CFR 180.50(a)(2)).
- Special circumstances:
 - When multiple hospital clinics share a single location: You do not need to post separate files for each clinic operating under a consolidated state hospital license that are co-located, **if** the file includes charges for all items and services offered at the single campus location (84 FR 65564).
 - When multiple hospitals in different locations have the same standard charges: To reduce burden, you may use a single machine-readable file to display the list of standard charges, but you must clearly identify the hospital location(s) with which the information is associated (45 CFR 180.50(d)(2))



Separate Machine-Readable Files for Each Hospital Location (Examples)



	A	B	C
1	Inpatient Rate Data		
2			
3	Entity Name	MSDRG Code	MSDRG Name
4	Hospital 1		4 TRACH W MV >96 HRS OR PDX EXC FACE, MOUTH & NECK W/O MAJ O.R. MS
5			42 PERIPH/CRANIAL NERVE & OTHER NERV SYST PROC W/O CC/MCC MS
6			55 NERVOUS SYSTEM NEOPLASMS W/O MCC MS
7			59 MULTIPLE SCLEROSIS & CEREBELLAR ATAXIA W CC MS
8			65 INTRACRANIAL HEMORRHAGE OR CEREBRAL INFARCTION W CC OR TPA IN 24 HRS MS
9			66 INTRACRANIAL HEMORRHAGE OR CEREBRAL INFARCTION W/O CC/MCC MS
	Hospital 1_Payer1,Plan1	Hospital 2_Payer1,Plan1	Hospital 3_Payer1,Plan1 Hospital 4_Payer1,Plan1 ...



Fort Washington Medical Center

[STANDARD CHARGES \[CSV\]](#)

[SHOPPABLE SERVICES \[XLSX\]](#)

Shady Grove Medical Center

[STANDARD CHARGES \[CSV\]](#)

[SHOPPABLE SERVICES \[XLSX\]](#)

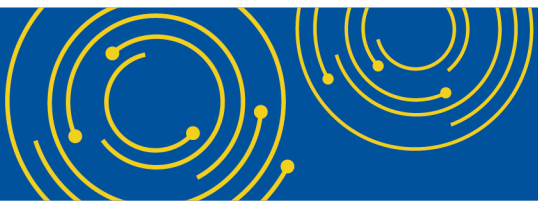
White Oak Medical Center

[STANDARD CHARGES \[CSV\]](#)

[SHOPPABLE SERVICES \[XLSX\]](#)

Step 2: Identify all items and services for which your hospital has established a standard charge: 5 Types of Standard Charges

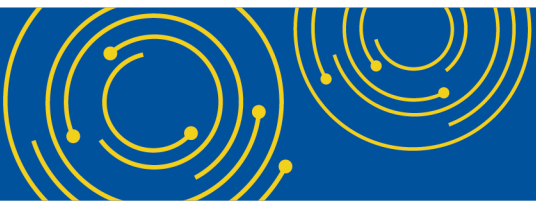
- CMS finalized the definition of ‘standard charges’ to include the following:
 - **Gross charge:** The charge for an individual item or service that is reflected on a hospital’s chargemaster, absent any discounts
 - **Discounted cash price:** The charge that applies to an individual who pays cash, or cash equivalent, for a hospital item or service
 - **Payer-specific negotiated charge:** The charge that a hospital has negotiated with a third party payer for an item or service
 - **De-identified minimum negotiated charge:** The lowest charge that a hospital has negotiated with all third-party payers for an item or service
 - **De-identified maximum negotiated charge:** The highest charge that a hospital has negotiated with all third-party payers for an item or service



Step 2: Identify all items and services for which your hospital has established a standard charge: Types of items and services

Include all items and services for which your hospital has established a standard charge, as applicable:

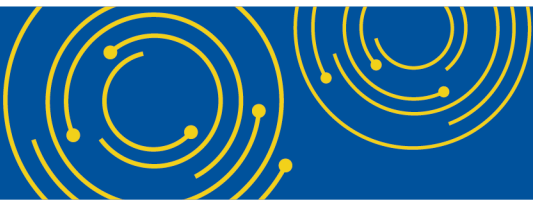
- ☒ Standard charges for **inpatient and outpatient** items and services
- ☒ Standard charges for **itemized services and service packages**
- ☒ Standard charges for **employed physicians and non-physician practitioners**
- ☒ Standard charges for **use of the facility** (e.g. facility fees)
- ☒ Standard charges for **room and board, supplies, and procedures**
- ☒ Any other items and services for which your hospital has established a standard charge.



Step 2: Identify all items and services for which your hospital has established a standard charge: Complexity-Based Charges

- Your hospital may have established some standard charges for items and services that are, for example, based on time, unit, or complexity. You may have established standard charges with third party payers for certain service packages.
- **Example 1:** Complexity-Based. Base rates for service packages or other items and services are sometimes adjusted by a multiplier to address severity of illness (SOI) or adjustments for other factors.

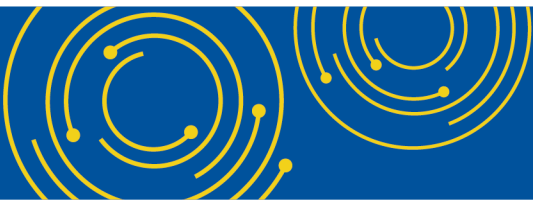
		Billing_Code	Gross_Charge_IP	Discounted_Cash_Price_IP	PayerName1_PlanNameA_IP*	PayerName1_PlanNameB_IP*	PayerName2_PlanNameA_IP*	PayerName2_PlanNameB_IP*	Minimum_IP	Maximum_IP
4	Description									
5	INSERT BLADDER CATH,SIMPLE	51702	\$1,543.00	\$771.50	N/A	\$912.00	N/A	\$550.00	\$550.00	\$912.00
6	INSERT BLADDER CATH,COMPLEX	51703	\$2,543.00	\$1,271.50	N/A	\$1,225.00	N/A	\$1,035.00	\$1,035.00	\$1,225.00



Step 2: Identify all items and services for which your hospital has established a standard charge: Time-Based Charges

- Example 2:** Time-based standard charge. You may have established a standard charge for the first hour spent in the operating room (OR) and a different standard charge for each hour after that. In this example, the item or service (e.g. the OR time) could be described as “OR time- first hour” and “OR time – each additional hour” on two rows, each associated with its relevant standard charge (84 FR 65557).

	Description	Billing_Code	Gross_Charge _IP	Discounted_ Cash_Price_ IP	PayerName1 _PlanNameA _IP*	PayerName1 _PlanNameB _IP*	PayerName2 _PlanNameA _IP*	PayerName2 _PlanNameB _IP*	Minimum _IP	Maximum _IP
4										
5	ROOM AND BOARD	120	\$1,380.00	\$828.00	\$966.00	\$1,025.00	\$985.00	\$1,035.00	\$966.00	\$1,035.00
6	INFUSION THERAPY (IV) 1ST HOUR	96365	\$180.00	\$169.20	\$349.00	\$380.00	\$352.00	\$375.00	\$349.00	\$380.00
7	INFUSION THERAPY(IV) ADDL HOUR	96366	\$86.85	\$81.64	\$189.00	\$150.00	\$175.00	\$189.00	\$150.00	\$189.00
8	INSERT BLADDER CATH,SIMPLE	51702	\$158.00	\$138.00	\$927.00	\$912.00	\$359.00	\$550.00	\$359.00	\$927.00
9	INSERT BLADDER CATH,COMPLEX	51703	\$231.00	\$199.00	\$1,442.70	\$1,225.00	\$927.00	\$1,035.00	\$927.00	\$1,442.70
10	CT T-SPINE W/CONT	72129	\$1,936.45	\$1,423.72	\$2,156.00	\$2,437.00	\$2,313.00	\$2,285.00	\$2,156.00	\$2,437.00
11	E/R CRITICAL CARE 1ST 30-74 MIN	99291	\$827.00	\$470.00	\$1,535.00	\$1,995.00	\$1,426.00	\$1,606.00	\$1,426.00	\$1,995.00
12	EC HOLTER MONITOR UPTO 48HRS	93225	\$406.95	\$382.53	\$542.76	\$451.45	\$525.00	\$451.45	\$451.45	\$542.76
13	IND PSYCHOTHERAPY 45 MIN	90834	\$118.00	\$99.00	\$233.00	\$250.00	\$285.38	\$231.21	\$231.21	\$285.38
14	INI IRON DEXTRAN 50 MG	11750	\$28.29	\$26.59	\$15.01	\$15.01	\$29.00	\$15.01	\$15.01	\$29.00



Step 2: Identify all items and services for which your hospital has established a standard charge: Unit-Based Charges

- **Example 3:** Unit-based standard charge. Medications are an example of an item or service for which your hospital may have established unit-based standard charges. For example, you may have established a standard charge for each 5mL of phenylephrine HCL 10% eye drops. In this example, the item or service (e.g. the eye drops) could be described in one row as “Phenylephrine HCL 10% - 5mL” along with the relevant standard charge.

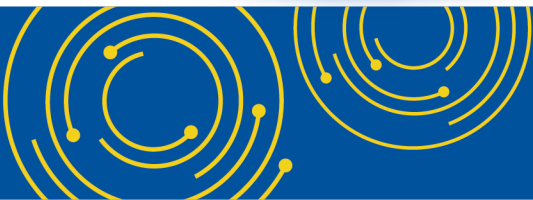
3										
	Description	Billing_Code	Gross_Charge_IP	Discounted_Cash_Price_IP	PayerName1_PlanNameA_IP*	PayerName1_PlanNameB_IP*	PayerName2_PlanNameA_IP*	PayerName2_PlanNameB_IP*	Minimum_IP	Maximum_IP
4	DOCUSATE SODIUM 50 MG/5 ML ORAL LIQUID	121054410	\$5.00	\$2.50	\$3.00	\$5.00	\$2.50	\$3.00	\$2.50	\$5.00
5	ASPIRIN 81 MG CHEWABLE TABLET-EACH	009044040	\$2.00	\$1.00	\$1.30	\$2.00	\$2.00	\$2.00	\$1.30	\$2.00
6										
7										



Step 2: Identify all items and services for which your hospital has established a standard charge: Charges for Service Packages

- Example 4:** Service packages. The definition of items and services gives your hospital the flexibility to display the standard charges for service packages in a way that is unique to each of your payer-specific contracts (84 FR 65535). For example, your hospital may have negotiated with a third party payer on a per diem basis or for a service package identified by a DRG code. When listing service packages and their associated standard charges, your hospital is not required to list each and every individual item or service that could be included as part of the service package. Instead, the hospital should list the payer-specific negotiated charge (e.g. the “base rate”) and associated service package as a single line-item on its machine-readable file (84 FR 65559).

	Description	Billing_Code	Gross_Charge_IP	Discounted_Cash_Price_IP	PayerName1_PlanNameA_IP*	PayerName1_PlanNameB_IP*	PayerName2_PlanNameA_IP*	PayerName2_PlanNameB_IP*	Minimum_IP	Maximum_IP
4	PER DIEM: MEDICAL /SURGICAL	0110	N/A	N/A	\$1,500.00	N/A	N/A	N/A	\$1,500.00	\$1,500.00
6	FRACTURES OF HIP AND PELVIS WITHOUT MCC	536	N/A	\$8,000.00	\$12,543.13	N/A	\$11,472.38	N/A	\$11,472.38	\$12,543.13
7	OSTEOMYELITIS WITH CC	540	N/A	\$9,000.00	\$21,053.95	N/A	\$24,293.02	N/A	\$21,053.95	\$24,293.02
8	POSSIBLE SODIUM 50 MG/5 ML ORAL LIQUID	431054410	\$5.00	\$3.50	\$3.00	\$5.00	\$3.50	\$3.00	\$3.50	\$5.00



Step 3: Gather the Required Data Elements for Each Item and Service

- Include all required **Data Elements**
 - A description of each item or service. There is no requirement for the description in your machine-readable file to be in plain language.
 - All standard charges (gross charges, payer-specific negotiated charges, discounted cash prices, de-identified minimum and maximum negotiated charges) that apply to each item or service when provided in, as applicable, the hospital inpatient and outpatient department setting.
 - Common billing or accounting code(s): Include any code used by your hospital for purposes of accounting or billing for the item or service, including, but not limited to, the CPT code, the HCPCS code, the DRG, or other commonly used payer identifier.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	XYZ Hospital_Location(s)													
2	Updated as of January 1,													
3														
4	Description	Billing Code	Gross_Charge_OP	Gross_Charge_IP	Discounted_Cash_Price_OP	Discounted_Cash_Price_IP	PayerName1_PlanNameA_IP*	PayerName1_PlanNameA_OP*	PayerName1_PlanNameB_IP*	PayerName1_PlanNameB_OP*	Minimum_IP	Maximum_IP	Minimum_OP	Maximum_OP
5	ROOM AND BOARD	120	N/A	\$900.00	N/A	\$450.00	\$1,100.00	N/A	\$500.00	N/A	\$500.00	\$1,100.00	N/A	N/A
6	INFUSION THERAPY (IV) 1ST HOUR	96365	\$400.00	\$546.00	\$200.00	\$273.00	\$450.00	\$200.00	\$400.00	\$250.00	\$400.00	\$450.00	\$200.00	\$250.00
7	INFUSION THERAPY(IV) ADDL HOUR	96366	\$200.00	\$250.00	\$100.00	\$125.00	\$400.00	\$150.00	\$300.00	\$175.00	\$300.00	\$400.00	\$150.00	\$175.00
8														

Step 4: Select Your Machine-Readable File Format

- Machine-readable file is defined by the Hospital Price Transparency Final Rule as: A digital representation of data or information in a file that can be imported or read into a computer system for further processing.
- Examples of machine-readable formats include, but are not limited to:



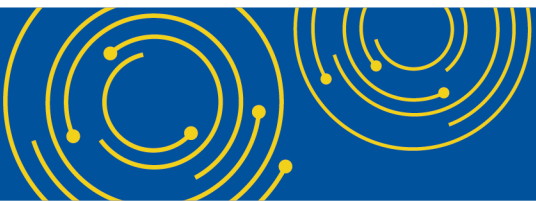
.XML



.JSON



.CSV



Step 5: Use the CMS Naming Convention to Name Your File

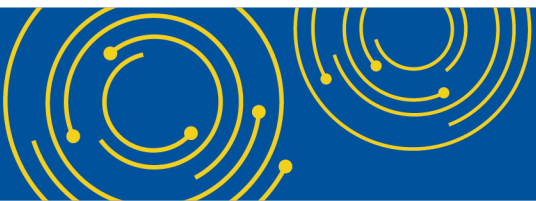
- Hospitals must use a CMS-specified naming convention. Your hospital must use the following naming convention for your comprehensive machine-readable file:

<ein>_<hospital-name>_standardcharges.[json|xml|csv]

- <ein>: Your Hospital's Employer Identification Number (without dashes)
- <hospital-name>: name of your hospital (do not use capital letters, use dashes between words)
- <standardcharges>: "standardcharges" (no spaces or capital letters)
- [json|xml|csv]: your chosen file format.

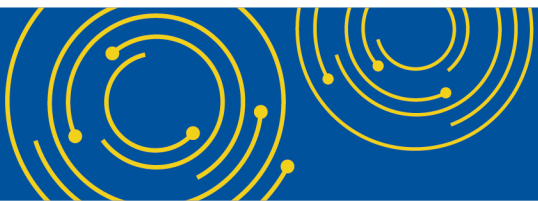


381359266_spectrum-health-ludington-hospital_standardcharges.json



Step 6: Post your machine-readable file prominently on a publically available website

- You must post your hospital's machine-readable file of all items and services in a prominent manner on a publicly available website
- Furthermore, the information must easily accessible, without barriers, including:
 - Be free of charge
 - Not require registration or user account or password
 - Not request personally identifying information (PII).



Step 7: Update your comprehensive machine-readable file annually

- Your hospital must update its standard charge information for its comprehensive machine-readable file at least once annually and clearly indicate the date that your hospital most recently updated the information.



Download the Standard Charges Machine Readable Files by Facility – Updated 3/19/2021

- Memorial Hospital Miramar – Standard Charges Machine Readable File – Updated 3/19/2021
- Memorial Hospital Pembroke – Standard Charges Machine Readable File – Updated 3/19/2021



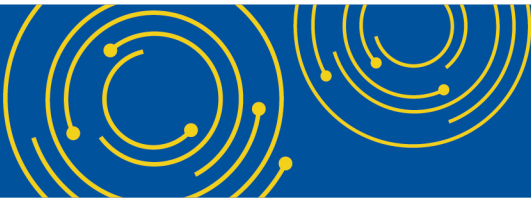
	A	B	C	D	E
1	Concord Hospital				
2	Comprehensive Machine-Readable File				
3	Version 2				
4	Date of last Update: 03/11/2021				
5					
6	Line Type	Item Type	Item Code	Item Description	Charge Metho
7	CDM	Anesthesia	324117	MOD SED OTH PHYS 5/>YRS 15MIN	Per Each
8	CDM	Anesthesia	324118	MOD SED OTHER PHYS ADDL 15MIN	Per Each
9	CDM	Anesthesia	1379881	Anesthesia Time - 667195	Per Minute



Step 8: Double check that you've met the requirements.

- CMS developed a [Hospital Price Transparency Checklist](#) to help you double check the requirements.

Table 2: Making Public Standard Charges for All Items & Services ^{iv}	
	Machine Readable File
✓	General
	Has your hospital posted a file of all hospital standard charges for all items and services?
	Is the file specific to the hospital location operating under a single hospital license (or approval)? <i>Note: A separate file must be posted for each hospital if there are multiple hospitals operating under a single hospital license with different sets of standard charges.</i>
	Does the file clearly indicate the hospital location?
	Format
	Is the file a single digital file?
	Is the file in a machine-readable format (e.g., .XML, .JSON, .CSV)?
	Does the file meet the CMS-specified file naming convention, specifically: <ein> <hospital-name> standardcharges.[json xml csv]?



Tips and Common Mistakes to Avoid

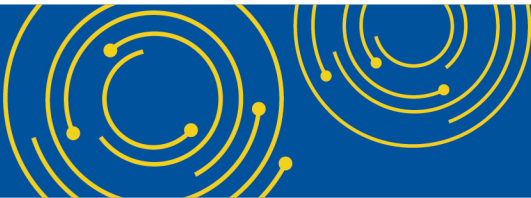
- Follow the Hospital Price Transparency final rule requirements that became effective 1/1/2021, not prior guidance that permitted only chargemaster posting. Make sure your machine-readable file includes all required data elements.



A		B	C	D	E	F	
1	Charge Description	Current Price					
2							
3		5 HIAA RANDOM URINE	140				
4		50/50 COAGULATION STUDY	310				
5		AB ELUTION (RBC) EA ELUTION	282				
6		AB HIV-2 MULTISPOT BO	165				
7		AB IDENTIFICATION RBC EA PANEL	757				
8		AB SCREEN RBC EACH SERUM TECH	648				
Location A CDM Upload		Location B CDM Upload	Location C CDM Upload	Location D CDM Upload	V ...		
Ready							



	A	B	C	D	E	F
1	Hospital	Description	Standard Price			
2	[REDACTED]	al 11 BETA-PROSTAGLANDIN F2 ALPHA	239.00			
3		al 12F COUDE FOLEY	26.25			
4		al 16 OR MORE MARKERS P0860	489.00			
5		al 16 OR MORE MARKERS P2600	489.00			
6		al 17 AL PHA HYDROXY PROGESTERONE	609.00			
U [REDACTED] 2021						



Tips and Common Mistakes to Avoid

- List payer-specific negotiated charges by both payer and plan. To identify payer-specific negotiated charges, consult your third party payer contracts and associated rate sheets. Do not create average or aggregate charges. Do not create standard charges from prior claims or reimbursement information.



	A	B	C	D	E	F	G	H	I	J	K	L
1						Payer 1	Payer 1	Payer 2	Payer 2	Payer 3		
2		Description	CPT/HCPC	Gross Cha	Disc Cash	Plan 1	Plan 2	Plan 1	Plan 2	Plan 1	Min Neg Chg	Max Neg Chg
3	OS59575	0.035 260 ANGLED GLIDE CATH (59575)	C1769	\$187.08	\$130.96	\$133.20	APR-DRG	\$113.45	\$113.45	per diem	\$113.45	\$133.20
4	OS65028	0.25 STRAIGHT STIFF ZIPWIRE (65028)	C1769	\$241.57	\$169.10	\$172.00	APR-DRG	\$146.49	\$146.49	per diem	\$146.49	\$172.00
5	APR-DRG	APR-DRG 1-1					\$74,317.46				\$74,317.46	\$74,317.46
6	APR-DRG	APR-DRG 1-2					\$80,157.42				\$80,157.42	\$80,157.42
7	APR-DRG	APR-DRG 1-3					\$83,682.11				\$83,682.11	\$83,682.11
8	APR-DRG	APR-DRG 1-4					\$153,427.83				\$153,427.83	\$153,427.83
9	Case Rate	Obs Case Rate				\$1,300.00					\$1,300.00	\$1,300.00
10	Case Rate	ER Levels 1-3 Case Rate							\$1,398.00		\$1,398.00	\$1,398.00
11	Case Rate	ER Levels 4-5, Critical Care Case Rate							\$3,979.00		\$3,979.00	\$3,979.00
12	Case Rate	Obs Hourly Rate (\$9,423 Case Max)							\$392.00		\$392.00	\$392.00
13	Per Day	IP Rehab Per Day					\$1,120.22			\$1,404.00	\$1,120.22	\$1,404.00



	A	B	C	D	E	F	G
1	CPT	HCPC	DESCRIPTION	AVERAGE_COMMERCIAL_CHARGE	ESTIMATED_SELF_PAY_RATE		
2	10004		FNA BIOPSY W/O IMG GDN EA ADDL	\$ 397.00	\$ 119.10		
3	10005		FNA BIOPSY W/US GDN 1ST LES	\$ 2,364.00	\$ 709.20		
4	10006		FNA BIOPSY W/US GDN EA ADDL	\$ 2,003.00	\$ 600.90		
5	10007		FNA BIOPSY W/FLUOR GDN 1ST LES	\$ 2,453.00	\$ 735.90		
6	10008		FNA BIOPSY W/FLUOR GDN EA ADDL	\$ 1,378.00	\$ 413.40		
7	10009		FNA BIOPSY W/CT GDN 1ST LES	\$ 1,841.00	\$ 552.30		

Tips and Common Mistakes to Avoid

- For each hospital, place all standard charges for all items and service in a single, digital file that is machine-readable. The file and its contents must be searchable. The file must be easily accessible and prominently displayed.



View Standard Charges



Negotiated Price Lists

- [Inpatient](#) 
- [Outpatient Surgery](#) 
- [Outpatient All Other](#) 

Hospital Price Transparency Webpage

Resources available at:

www.cms.gov/hospital-price-transparency

HomeHospitalPrice TransparencyResourcesContact Us

Resources

Regulations

Effective Date

DECEMBER 2020

31

[FY 2019 Requirements for Hospitals To Make Public a List of Their Standard Charges](#)
Current Guidance requiring hospitals to post their chargemaster. Effective until 12/31/2020.

Effective Date

JANUARY 2021

1

[FY 2020 Price Transparency Requirements for Hospitals To Make Standard Charges Public](#)
Hospital Price Transparency final rule published 11/27/2019. Effective on 1/1/2021.

Resources

[Frequently Asked Questions \(PDF\)](#)
Frequently asked questions about hospital price transparency.

[8 Steps to a Machine-readable File \(PDF\)](#)
A step-by-step guide to understand and implement the requirements for the machine-readable file of all items and services.

[10 Steps to a Consumer-Friendly Display \(PDF\)](#)
A step-by-step guide to understand and implement the requirements for the consumer-friendly display of shoppable services.

[Quick Reference Checklist \(PDF\)](#)
Quick overview to assist your hospital's review of the Hospital Price Transparency Final Rule.



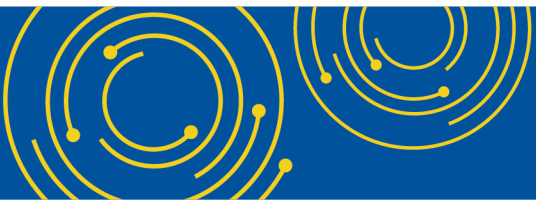
Hospital Price Transparency Resources

Step-by-Step Guides and Checklist:

- [8 Steps to a Machine-Readable File](#) explains each of the required elements of the machine readable file of all items and services. It will help you understand each step from identifying each hospital location with a list of standard charges all the way to posting your file prominently on your public website.
- [10 Steps to a Consumer-Friendly Display](#) explains each of the required elements related to the consumer-friendly display of shoppable services. It will walk you through understanding how the definitions set forth in the regulation relate to shoppable services along with the options available for posting in a consumer-friendly format, including using a price estimator tool as an alternative approach.
- [Quick Reference Checklist](#) is designed for use in conjunction with the step-by-step guides to help hospitals evaluate if all the requirements have been met. This simplistic look at all the elements together in one place is a quick way to double-check a hospital's price transparency information.

[Frequently Asked Questions](#)

In addition to these guides, CMS compiled a wide-ranging list of questions received from stakeholders since the release of the final rule. Questions cover topics, including the general provisions, public disclosure requirements, monitoring of compliance, and appeals of civil monetary penalties.



Contact Us

<https://www.cms.gov/hospital-price-transparency/contact-us>



Submit a Complaint

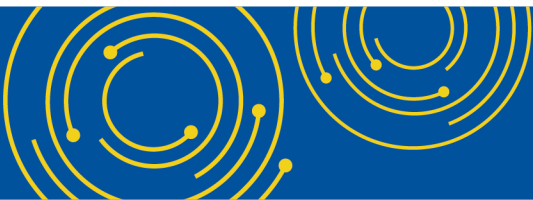
Can't find a hospital's standard charges online?

You may [submit a complaint](#) to CMS if it appears that a hospital has not posted information online.



Email a Question

Have a question about price transparency? Send an email to the [hospital price transparency team](#).



Question & Answer Session

