Updated March 15, 2024

This document addresses the requirement, effective July 1, 2024, for hospitals to conform to a CMS template layout, data specifications, and data dictionary for purposes of making public the standard charge information required by 45 CFR 180.50.

The hospital price transparency requirements are codified in regulation at <u>45 C.F.R. Part 180</u> and require most hospitals to make public their standard charges (as defined at <u>§ 180.20</u>) online in two ways:

- A comprehensive machine-readable file that includes the following standard charges for all hospital items and services (as provided in § 180.50): gross charges, discounted cash prices, payer-specific negotiated charges, and de-identified minimum and maximum negotiated charges; and
- A consumer-friendly display that includes the following standard charges for at least 300 'shoppable' services (or as many as the hospital provides if less than 300) that are grouped with charges for ancillary services that are customarily provided by the hospital (as provided in § <u>180.60</u>): discounted cash prices, payer-specific negotiated charges, and de-identified minimum and maximum negotiated charges.

This document describes how to create a comprehensive machine-readable file using a CMS template layout. For information about the consumer-friendly display of shoppable services, refer to the *10 Steps to a Consumer-Friendly Display of Shoppable Services* document.¹

Step 1: Identify your hospital and each hospital location that must make available its list of standard charges²

• Verify your institution meets the definition of "hospital". The HPT regulations define "hospital" to mean an institution in any State in which State or applicable local law provides for the licensing of hospitals, that is licensed as a hospital pursuant to such law or is approved, by the agency of such State or locality responsible for licensing hospitals, as meeting the standards established for such licensing. For purposes of this definition, a State includes each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. If your institution meets this definition, your institution is subject to the statutory requirement.

¹ <u>https://www.cms.gov/files/document/steps-making-public-standard-charges-shoppable-services.pdf</u>

² § 180.50(a)(2)

• **Check to see if your hospital is excepted.** Certain hospitals are deemed by CMS to be in compliance with the requirements including the following:

(1) Federally owned hospital facilities, including facilities operated by the U.S. Department of Veterans Affairs and Military Treatment Facilities operated by the U.S. Department of Defense.

(2) Hospitals operated by an Indian Health Program as defined in section 4(12) of the Indian Health Care Improvement Act.

(3) State forensic hospitals that provide treatment exclusively to individuals who are in the custody of penal authorities.

If your hospital is excepted, **stop**. Your hospital is not required to make public your standard charges in the form and manner required at 45 CFR 180.50 or 180.60.

• Identify each hospital location that operates under your hospital's license, including each offcampus location. Under the regulations, 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.

Your hospital may post a single file of standard charges for a single campus location if the file includes charges for all items and services offered at the single campus location. In cases where off-campus and affiliated sites operate under the same license (or approval) as a main location but have different standard charges or offer different items and services, these locations would separately make public the standard charges for such locations.

Step 2: Identify each standard charge your hospital has established and its corresponding item or service³

In the comprehensive machine-readable file, you must include all the standard charges your hospital has established for all corresponding items and services provided by your hospital.

Identify all standard charges established by your hospital. You must make public in the machinereadable file for each of the items and services, as applicable, the following standard charges (as defined at <u>45 CFR 180.20</u>) your hospital has established in both inpatient and outpatient settings:

• **Gross charge**: This is the charge for an individual item or service that is reflected on your hospital's chargemaster, absent any discounts.

³ §180.50(a)(1)

- **Payer-specific negotiated charge**: This is the charge that your hospital has negotiated with a third-party payer for an item or service or service package. Each payer-specific charge in your machine-readable file must be clearly associated with the name of the third-party payer and plan.
 - Hospitals can consult their rate sheets or rate tables within which the payer-specific negotiated charges are often found. Such rate sheets typically contain a list of common billing codes for items and services provided by the hospital along with the associated payer-specific negotiated charge or rate (84 FR 65559).
 - If you do not have a rate sheet, consult your payer contract to determine the algorithm used to establish your payer-specific negotiated charge for an item or service or service package.
- **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.
- **Discounted cash price:** The charge that applies to an individual who pays cash (or cash equivalent) for a hospital item or service.

Your hospital is not required to make public Medicare and Medicaid fee-for-service (FFS) reimbursement rates because such data is publicly available. However, nothing in Hospital Price Transparency Final Rule limits your hospital's ability to include this information if you choose (84 FR 65558).

Understand the definition of hospital "items and services". Items and services as defined at § 180.20 means 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 of hospital items and services include supplies and procedures, room and board, use of the facility and other items (generally described as facility fees), services of employed physicians and non-physician practitioners (generally reflected as professional charges), and any other items or services for which a hospital has established a standard charge.

Your hospital may have established standard charges for items and services that are time-based or unitbased or have a service package that has been negotiated with a third-party payer to include treatment for complications or follow up care. These are included in the definition of hospital items and services.

On the CMS Hospital Price Transparency - Data Dictionary GitHub repository, we have provided examples, in both CSV and JSON formats, on how to encode time-based services, unit-based charges and service packages.⁴

Step 3: Select a Required CMS Template⁵

Beginning July 1, 2024, your hospital must adopt a CMS template layout and encode data elements according to the technical specifications described in the CMS Hospital Price Transparency Data Dictionary.⁶

The CMS template layouts and corresponding data dictionary are located on the <u>CMS Hospital Price</u> <u>Transparency GitHub repository</u>. This repository houses the required CMS templates, in a CSV "tall", CSV "wide" and JSON format, and provides the data dictionary, or technical instruction, on how hospitals must encode standard charge information into MRFs.

Select **one** of the three (CSV wide, CSV Tall or JSON) required template layouts. We recommend you directly download and use a CSV template from the GitHub repository because it is pre-populated with some information which can help you avoid some encoding errors.

Step 4: Gather and Encode your Standard Charge Information in the CMS Template⁷

Beginning July 1, 2024, your hospital must encode, in its machine-readable file, all standard charge information, as applicable, for each of the following required data elements:

General data elements, including:

- Hospital name, license number, and location name(s) and address(es) under the single hospital license to which the list of standard charges applies. Location name(s) and address(es) must include, at minimum, all inpatient facilities and stand-alone emergency departments; and
- The version number of the CMS template and the date of most recent update to the standard charge information in the machine-readable file.

Each type of standard charge as defined at <u>§ 180.20</u> (gross charge, discounted cash price, payerspecific negotiated charge, de-identified minimum negotiated charge, and de-identified maximum negotiated charge) and, for payer-specific negotiated charges, the following additional data elements:

⁴ <u>https://github.com/CMSgov/hospital-price-transparency/tree/master/examples</u>

⁵ § 180.50(c)(2)

⁶ <u>https://github.com/CMSgov/hospital-price-transparency</u>

⁷ § 180.50(b)

- Payer and plan names; plan(s) may be indicated as categories (such as "all PPO plans") when the established payer-specific negotiated charges are applicable to each plan offered by a specific payer, in the indicated category;
- Method used to establish the standard charge; and
- Whether the standard charge indicated should be interpreted by the user as a dollar amount, or if the standard charge is based on a percentage or algorithm. If the standard charge is based on a percentage or algorithm, the machine-readable file (MRF) must also describe the percentage or algorithm that determines the dollar amount for the item or service. In addition, beginning January 1, 2025, a hospital must calculate and encode an estimated allowed amount in dollars for an item or service when the hospital has established a payer-specific negotiated charge that can **only** be expressed as a percentage or an algorithm (88 FR 82100).

A description of the item or service that corresponds to the standard charge established by the hospital, including:

- A general description of the item or service;
- Whether the item or service is provided in connection with an inpatient admission or an outpatient department visit; and
- Beginning January 1, 2025, for drugs, the drug unit and type of measurement.

Coding information, including:

- Any code(s) used by the hospital for purposes of accounting or billing for the item or service;
- Corresponding code type(s). Such code types may include, but are not limited to, the CPT code, the HCPCS code, the DRG, the NDC, Revenue Center Codes (RCC), or other common payer identifier; and
- Beginning January 1, 2025, any modifier(s) that may change the standard charge that corresponds to a hospital item or service, including a description of the modifier and how it changes the standard charge.

Navigate to the data dictionary, located on <u>GitHub</u>, for detailed technical specifications on how to encode your data in your selected CMS template.⁸

⁸ <u>https://github.com/CMSgov/hospital-price-transparency</u>

Step 5: Affirm the accuracy and completeness of your file⁹

Your hospital must make a good faith effort to ensure that the standard charge information encoded in the MRF is true, accurate, and complete as of the date indicated in the MRF.

In the MRF template, you must affirm, to the best of your knowledge and belief, that your hospital has included all applicable standard charge information in its MRF, in accordance with the requirements of § $\frac{180.50}{1000}$, and that the information encoded is true, accurate, and complete as of the date indicated in the MRF.

Information for encoding the affirmation statement for CSV¹⁰ and JSON¹¹ formats can be found on the CMS Hospital Price Transparency GitHub. If you have downloaded a CSV template from the GitHub repository, the affirmation statement has been included for you. Encode "true" as a valid value to make the affirmation.

Step 6: Name your machine-readable file according to the CMS naming convention¹²

Your hospital must use the following naming convention when saving your comprehensive machine-readable file: <ein>_<hospitalname>_standardcharges.[json|csv].

- <ein>: Your Hospital's Employer Identification Number
- <hospital-name>: Name of Your Hospital
- <standard charges>: "standardcharges"
- [json|csv]: Your chosen file format.

We recommend you use the <u>machine-readable file naming wizard</u> that CMS has developed to assist you as your name your file.¹³

Step 7: Validate that you have encoded your data correctly within the CMS Template

In addition to providing the data dictionaries and templates, to further aid hospitals we have developed an MRF validation tool,¹⁴ which can be used by your hospital as an initial check for compliance with the formatting requirements of § 180.50(c).

⁹ § 180.50(a)(3)(ii)

¹⁰ https://github.com/CMSgov/hospital-price-transparency/tree/master/documentation/CSV

¹¹ https://github.com/CMSgov/hospital-price-transparency/tree/master/documentation/JSON

¹² § 180.50(d)(5)

¹³ https://cmsgov.github.io/hpt-tool/filename-wizard/

¹⁴ <u>https://cmsgov.github.io/hpt-tool/</u>

Use the MRF validation tool which is available on the Hospital Price Transparency Tools page here: <u>Hospital Price Transparency - Tools</u> (cmsgov.github.io). You should correct any errors identified by the validation tool using the technical instruction specified in CMS Hospital Price Transparency Data Dictionary GitHub repository here: <u>GitHub - CMSgov/hospital-price-transparency</u>. There is no limit to the number of times you can run your file through the validator and we recommend you utilize this tool until your file returns error free.

Step 8: Post your machine-readable file prominently on a publicly available website¹⁵

You must post your hospital's machine-readable file of all items and services on a publicly available website. The standard charge information must be displayed in a prominent manner and must be clearly identified with the hospital location with which the standard charges are associated. Ensure that the standard charge information is easily accessible, without barriers, including but not limited to ensuring the information is accessible:

- Free of charge;
- Without having to establish a user account or password;
- Without having to submit personal identifying information (PII); and
- To automated searches and direct file downloads through a link posted on a publicly available website.

Specific examples of barriers to automated searches and direct downloads that CMS identified include, but are not limited to, lack of a link for downloading a single machine-readable file, using "blocking codes" or CAPTCHA, and requiring the user to agreement to terms and conditions or submit other information prior to access.

Step 9: Add the TXT file and Footer link¹⁶

Effective January 1, 2024, you must ensure that the public website your hospital selects to host its machine-readable file establishes and maintains, in the form and manner specified by CMS:

- 1) A .txt file in the root folder that includes:
 - o The hospital location name that corresponds to the machine-readable file;
 - \circ $\;$ The source page URL that hosts the machine-readable file;
 - $\circ~$ A direct link to the machine-readable file (the machine-readable file URL); and

¹⁵ § 180.50(d)

¹⁶ § 180.50(d)(6)

- Hospital point of contact information.
- 2) A link in the footer on your 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 machine-readable file.

Navigate to the GitHub Tools repository and use the <u>TXT file generator tool</u> on the Hospital Price Transparency Tools GitHub to create your TXT file.¹⁷ Refer to <u>TXT FAQs</u> if you have additional questions about this step, or you can email your question to <u>PriceTransparencyHospitalCharges@cms.hhs.gov</u>.

Step 10: Update your hospital's MRF annually¹⁸

Your hospital must update its standard charge information in its comprehensive machine-readable file at least once annually. Please ensure your file reflects the most recent date your MRF was updated as defined in Data Dictionary found on the GitHub repository.

For additional resources for making public standard charges in a machine-readable format using a required CMS Template Layout, please see the:

<u>Hospital Price Transparency – Data Dictionary GitHub repository</u>, including the documentation, examples, and discussion posts.

The TXT and Policy FAQs on the <u>CMS HPT Resources page</u>.

The <u>Hospital Price Transparency Tools site</u>, where you can:

- Access requirements and technical specifications for the TXT file, as well as find example TXT files.
- Use the TXT file generator tool to create the required TXT file.
- Use the MRF file naming tool to create a compliant naming convention for an MRF.
- Use the Online Validator 2.0 to check that the MRF complies with the CMS template layout and data encoding requirements.

¹⁷ <u>https://cmsgov.github.io/hpt-tool/txt-generator/</u>

¹⁸ § 180.50(e)