HEALTHCARE REGULATORY ROUND-UP

Price Transparency – Using the Data

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Introductions

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Price Transparency Refresher

- Requirement: hospitals must post standard charges for all items and services on a public-facing website in a machine-readable format

  - Part 1 – Requires charge data to be posted in a single machine-readable file

    - Gross charges – chargemaster rate

    - Payer-specific negotiated rates – applies to all third-party payer at the plan level

    - De-identified minimum rates

    - De-identified maximum rates

    - Discounted cash price – for those who pay cash for services
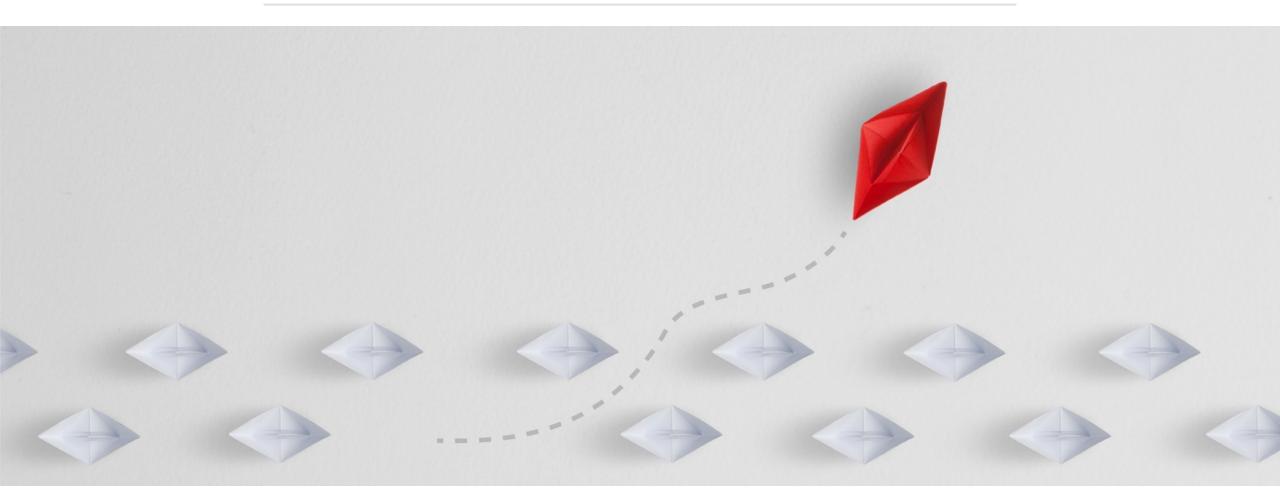
Price Transparency Refresher

- Part 2 - Displaying shoppable services

  - Standard charges for at least 300 shoppable services or bundles

    - 70 bundles identified by CMS

  - Defined as a service that can be scheduled by a health care consumer in advance

  - Services selected for display should be those commonly provided to that hospital's patients

Note: A provider is deemed to meet this requirement if it maintains an Internet-based price estimator tool

Proposed Changes:
CY2022 OPPS NPRM

Price Transparency: Penalty

- Civil monetary penalty for non-compliance
  - Currently $300 per day
  - Proposal based on hospital bed size –
    - Bed size determined through cost report

TABLE 63: Proposed Application of CMP Daily Amounts for Hospital Noncompliance for CMPs Assessed in CY 2022 and Subsequent Years.

Number of Beds	Penalty Applied Per Day	Total Penalty Amount for full Calendar Year of Noncompliance
30 or less	$300 per hospital	$109,500 per hospital
31 up to 550	$310 - $5,500 per hospital (number of beds times $10)	$113,150 - $2,007,500 per hospital
>550	$5,500 per hospital	$2,007,500 per hospital

Note: In subsequent years, amounts adjusted according to 45 CFR 180.90(c)(3).

Price Transparency: Other Issues

- Deems state forensic hospitals as having met transparency requirements

- Prohibits barriers to access of machine-readable file, including automated searches and direct downloads

- Price estimators would need to fulfill the shoppable services requirement

  - Expected output: cost estimate of the amount expected to be paid by the patient

    - Considers insurance coverage

    - Application to uninsured patients

Price Transparency: Other Issues

- Request for comment related to future rulemaking

  - Expectations for plain language descriptions of shoppable services

  - Best practices for cost estimators

  - Recognizing "exemplar" hospitals

  - Standardization of machine-readable files

PYA's Negotiated Pricing Dashboard

Dashboard - Background

Inputs: Download and curate "raw" pricing data (2,700+ hospitals) from PYA partner

Create Negotiated Pricing Dashboards using curated data

Outputs: Support Hospital/Health Systems in market intelligence and payer negotiations

Dashboard Utility

- ## Data fields available

    - Health System

    - Facility

    - CBSA – Core-Based Statistical Area

    - Payer Class – Commercial v. Medicare Advantage

    - Payer Name/Group – Blue Cross, UnitedHealthcare, Cigna, Aetna

    - Code Type – Inpatient MSDRG v. Outpatient CPT

    - Shoppable Service Category – Medicine and Surgery Services

    - Shoppable Service – as defined by CMS

    - Confidence Interval

- ## Demonstration

Client Example:
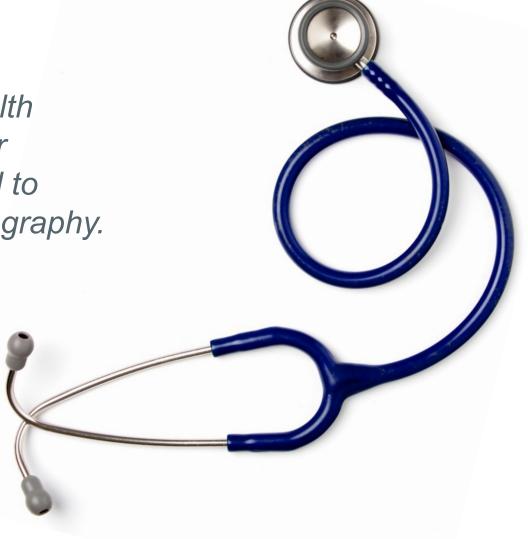## Use of Negotiated Pricing Dashboard

Client Example

- Problem Statement: *A Mid-Atlantic health system wanted to understand how their negotiated commercial rates compared to similar health systems in the same geography.*

- Demonstration

Questions?