

December 22, 2020

The Centers for Medicare & Medicaid Services (CMS) issued final price transparency requirements for hospitals, requiring all hospitals to make public their negotiated rates in specific file formats on their websites. IHA strongly opposed these requirements, and the American Hospital Association (AHA) filed a lawsuit. Yesterday, the AHA filed a motion asking the Court to hold the price transparency rule until the new administration is able to review. AHA also sent a letter to the Biden transition team asking them to publically state that CMS will exercise enforcement discretion until the Biden administration has an opportunity to review the regulation. But barring any last minute delay, hospitals are required to comply by Jan. 1, 2020. See IHA's memo and webinar recording on the final rule.

Under this final rule, hospitals are required to:

- Make standard charges (defined as gross charges, payer-specific negotiated charges, de-identified minimum and
  maximum negotiated charges and discounted cash prices) publicly available for all items, services, and service packages
  provided to patients; and
- Make standard charges for 300 shoppable services publicly available in a consumer-friendly format; hospitals may fulfill
  this requirement by displaying a price estimator on their website.

The public, media and vendors will begin looking at this information on hospital websites in January. To help you respond to inquiries, IHA has prepared some <u>talking points</u> and an <u>infographic</u>. Today, AHA put out <u>additional resources</u> for AHA members, including possible media Q&A and talking points to assist members in communicating with patients and the media.

On Friday (Dec. 18), CMS issued a <u>notice</u> that it will audit a sample of hospitals in January for compliance with the hospital price transparency rule, in addition to investigating complaints that are submitted to CMS. Hospitals may face civil monetary penalties for noncompliance.

If you have any questions or comments, contact IHA.

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