IHA Talking Points/Tips - Posting Charges on the Internet by Jan. 1, 2019

December 11, 2018

MEMORANDUM

IHA Update: Talking Points/Tips - Posting Charges on the Internet by Jan. 1, 2019

New CMS FAQs released December 6

Effective January 1, 2019, all hospitals must post their “standard charges” in a “machine readable format” on the Internet and update it at least annually. See IHA’s previous memo for background and link to CMS’ FAQs issued in September.

New CMS FAQs including Charges by DRG

CMS released a new set of FAQs on December 6 with an important addition that Section 1886 (d) hospitals (excludes psychiatric, rehabilitation, children’s, long-term acute care, cancer hospitals, and Critical Access Hospitals) must also make public a list of “standard charges” for each DRG. Given that there are no “standard charges” for DRGs, and in consultation with the American Hospital Association and other state associations, hospitals may want to consider a list of “average charges” by DRG for compliance. Current regulations do not include any enforcement action, but CMS states in this FAQ that future rulemaking will include enforcement or other action.

Members utilizing IHA’s COMPData system can access average charges by DRG. If you are an IHA COMPdata subscriber, please contact the COMPdata primary user at your hospital, as she/he will have instructions on how to obtain the average charges. If you are not aware of who in your hospital uses COMPdata, please contact our customer service team at compdata@team-iha.org or (866) 262-6222. We will help you identify the right person in your organization.

Talking Points

It is anticipated that hospitals may receive media, patient and other inquiries after January 1, 2019 and IHA has prepared talking points to assist you in responding. Another resource is IHA’s Hospital Price Transparency: Patient FAQs (password required).

Sample Disclaimer

IHA believes that posting the chargemaster does not advance the goal of helping patients know their financial obligations for an episode of care. A catalogue of services representing a master charge list that has no bearing on the actual amount a patient or third-party payer will have to pay is not relevant information for the public. With that in mind, a hospital may want to include a disclaimer with information such as:

(Hospital Name) is committed to price transparency and has posted this list of charges for inpatient and outpatient services (chargemaster). However, it is likely not a helpful tool for a patient to know what their financial obligation will be or to shop between hospitals. For more information about the charge for your care and to obtain an estimate, please contact our patient financial services staff at (insert contact information).

Hospitals should consider posting the data near other price transparency and financial assistance information on their website.

Including CPT Codes

Some hospitals have inquired about also posting Current Procedural Terminology (CPT) codes and whether the American Medical Association (AMA), which owns the copyright to the codes, would allow it. The AMA has responded that hospitals with a current CPT license for their chargemaster may post them for the limited purpose of complying with this new requirement. Hospitals that do not have a current license for their revenue cycle management system which uses CPTs would need to contact the AMA.
If you have any questions, please contact Sandy Kraiss.
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