On January 1, 2021, hospitals are required to be in compliance with the hospital price transparency requirements set forth in the CY 2020 Hospital Outpatient PPS Policy Changes and Payment Rates and Ambulatory Surgical Center Payment System Policy Changes and Payment Rates: Price Transparency Requirements for Hospitals to Make Standard Charges Public (CMS-1717-F2), herein referred to as the "Hospital Price Transparency Final Rule". This final rule implements Section 2718(e) of the Public Health Service Act and requires hospitals to make public their standard charges online in two ways:

- 1. <u>A comprehensive machine-readable file</u> that includes all standard charges for all hospital items and services; and
- 2. <u>A consumer-friendly display</u> of standard charges for at least 300 'shoppable' services that are grouped with charges for ancillary services that are customarily provided by the hospital.

This document addresses only the requirements for displaying shoppable services in a consumer-friendly manner as specified at 45 CFR §180.60. For additional information on the comprehensive machine-readable file, refer to the 8 Steps to a Machine-readable File of All Items & Services.²

Does your hospital already have an online Price Estimator Tool? Read this important information before starting.

As an alternative to making public your standard charges for shoppable services in accordance with 45 CFR § 180.60(a)(1) (as outlined in the steps below), you may instead offer an internet-based price estimator tool as described in 45 CFR § 180.60(a)(2). If your hospital chooses this alternative, the price estimator tool must:³

- Provide estimates for as many of the 70 CMS-specified shoppable services that are provided by the
 hospital, and as many additional hospital-selected shoppable services as is necessary for a combined
 total of at least 300 shoppable services.
- Allow healthcare consumers to, at the time they use the tool, obtain an estimate of the amount they will be obligated to pay the hospital for the shoppable service.
- Be prominently displayed on the hospital's website and accessible to the public without charge and without having to register or establish a user account or password.

Please note that **we encourage**, **but do not require**, that your hospital provide additional information to maximize the consumer-friendly nature of your price estimator tool (84 FR 65579), including, for example:

- Containing any appropriate disclaimers that you believe are necessary and would be helpful, such as
 one that acknowledges the limitation of the estimation and advises the user to consult with his or her
 health insurer to confirm individual payment responsibilities and remaining deductible balances.
- Notifying consumers if financial aid, payment plans, and assistance in enrolling for Medicaid or a state program are available.
- Presenting quality of care indicators, if available, to help consumers make value-based decisions.
- Displaying information in languages other than English to meet the needs of the communities and populations your hospital serves
- Clearly communicating the location at which the shoppable service is provided if your hospital has more than one location, and whether the estimate is for an inpatient or outpatient service.

² url for this document once available.

¹ 84 FR 65524

³ Refer to 45 CFR §180.60(a)(2).

Step 1: Understand the definitions applicable to Shoppable Services.4

In accordance with Hospital Price Transparency Final Rule, your hospital must post a consumer-friendly display of standard charges for at least 300 'shoppable' services, including corresponding ancillary services, if applicable, that are provided by the hospital. If a hospital does not provide 300 shoppable services, the hospital must make public the standard changes for as many shoppable services as it provides. In order to create this display, you should first understand how these terms are defined under the Hospital Price Transparency Final Rule.

- **Shoppable service**: A service that can be scheduled by a healthcare consumer in advance.
 - Such services are routinely provided in non-urgent situations that do not require immediate action or attention to the patient, thus allowing patients to price shop and schedule a service at a time that is convenient for them (84 FR 65564).
 - Examples of common shoppable services include imaging and laboratory services, medical and surgical procedures, and outpatient clinic visits (84 FR 65565).
- **Ancillary service**: Any item or service a hospital customarily provides as part of or in conjunction with a shoppable primary service.
 - Examples of ancillary services can include laboratory, radiology, drugs, delivery room (including maternity labor room), operating room (including post-anesthesia and postoperative recovery rooms), therapy services (physical, speech, occupational), hospital fees, room and board charges, and charges for employed professional services. Ancillary services may also include other special items and services for which charges are customarily made in addition to a routine service charge (84 FR 65564).

The Hospital Price Transparency Final Rule established definitions for the four types of standard charges your hospital is required to provide in your consumer-friendly display for each shoppable service, as applicable.

- Discounted cash price: the charge that applies to an individual who pays cash, or cash
 equivalent, for the shoppable service. If the hospital does not offer a discounted cash price for a
 shoppable service, the hospital must list its undiscounted gross charge for the shoppable service
 (and any corresponding ancillary services).
- Payer-specific negotiated charge: the charge that a hospital has negotiated with a third party payer for the shoppable service. Each payer-specific charge must be clearly associated with the name of the third party payer.
 - 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).
- **De-identified minimum negotiated charge**: the lowest charge that a hospital has negotiated with all third-party payers for the shoppable service.

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⁴ Refer to 45 CFR §180.20 for definitions.

• **De-identified maximum negotiated charge:** the highest charge that a hospital has negotiated with all third-party payers for the shoppable 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 the Hospital Price Transparency Final Rule limits your hospital's ability to include this information if you choose (84 FR 65552).

Step 2: Assess if you provide the 70 CMS-specified shoppable services⁵

Your hospital must make public four types of standard charges (discussed in Step 1), as applicable, for as many of the 70 CMS-specified shoppable services that are provided by your hospital, and as many additional hospital-selected shoppable services as is necessary for a combined total of at least 300 shoppable services. If a hospital does not provide 300 shoppable services, the hospital must make public the standard charges for as many shoppable services as it provides. The 70 CMS-specified shoppable services were finalized through the notice and comment rulemaking process and are based on an analysis of State price transparency requirements, a review of services that frequently appear in web-based price transparency tools, an analysis of high volume services and high cost procedures derived from External Data Gathering Environment (EDGE) server data⁶, and a review by CMS medical officers (84 FR 65568).

You are permitted to make appropriate substitutions and cross-walks of the indicated codes as necessary in order to display the standard charges you have established, as applicable, for the 70 CMS-specified shoppable services (84 FR 65571). If your hospital does not provide one or more of the CMS-specified shoppable services, you must either indicate "N/A" for the corresponding charge or otherwise make it clear that the shoppable service is not provided by your hospital (84 FR 65574).

The 70 CMS-specified shoppable services are listed below and in Table 3 of the Hospital Price Transparency Final Rule (84 FR 65571).

FINAL LIST OF 70 CMS-SPECIFIED SHOPPABLE SERVICES

Specified Shoppable Service	2020 CPT/HCPCS Primary Code
Evaluation & Management Services	2020 CPT/HCPCS Primary Code
Psychotherapy, 30 min	90832
Psychotherapy, 45 min	90834
Psychotherapy, 60 min	90837
Family psychotherapy, not including patient, 50 min	90846
Family psychotherapy, including patient, 50 min	90847

⁵ Refer to 84 FR 65571.

⁶ Consistent with 45 CFR 153.700, in States where HHS is operating the risk adjustment program, issuers must submit enrollment, claims, and encounter data for risk adjustment-covered plans in the individual and small group markets through the External Data Gathering Environment (EDGE) servers. Issuers upload enrollee, pharmaceutical claim, medical claim, and supplemental diagnosis information from their systems to an issuer-owned and controlled EDGE server.

Specified Shoppable Service	2020 CPT/HCPCS Primary Code
Group psychotherapy	90853
New patient office or other outpatient visit, typically 30 min	99203
New patient office of other outpatient visit, typically 45 min	99204
New patient office of other outpatient visit, typically 60 min	99205
Patient office consultation, typically 40 min	99243
Patient office consultation, typically 60 min	99244
Initial new patient preventive medicine evaluation (18-39 years)	99385
Initial new patient preventive medicine evaluation (40-64 years)	99386
Laboratory & Pathology Services	2020 CPT/HCPCS Primary Code
Basic metabolic panel	80048
Blood test, comprehensive group of blood chemicals	80053
Obstetric blood test panel	80055
Blood test, lipids (cholesterol and triglycerides)	80061
Kidney function panel test	80069
Liver function blood test panel	80076
Manual urinalysis test with examination using microscope	81000 or 81001
Automated urinalysis test	81002 or 81003
PSA (prostate specific antigen)	84153-84154
Blood test, thyroid stimulating hormone (TSH)	84443
Complete blood cell count, with differential white blood cells, automated	85025
Complete blood count, automated	85027
Blood test, clotting time	85610
Coagulation assessment blood test	85730
Radiology Services	2020 CPT/HCPCS Primary Code
CT scan, head or brain, without contrast	70450
MRI scan of brain before and after contrast	70553
X-Ray, lower back, minimum four views	72110
MRI scan of lower spinal canal	72148
CT scan, pelvis, with contrast	72193
MRI scan of leg joint	73721
CT scan of abdomen and pelvis with contrast	74177
Ultrasound of abdomen	76700
Abdominal ultrasound of pregnant uterus (greater or equal to 14 weeks 0 days) single or first fetus	76805
Ultrasound pelvis through vagina	76830
Mammography of one breast	77065

Specified Shoppable Service	2020 CPT/HCPCS Primary Code
Mammagraphy of both broasts	77066
Mammography of both breasts	77066
Mammography, screening, bilateral	2020 CPT/HCPCS/DRG
Medicine and Surgery Services	Primary Code
Cardiac valve and other major cardiothoracic procedures with	· · · · · · · · · · · · · · · · · · ·
cardiac catheterization with major complications or comorbidities	216
Spinal fusion except cervical without major comorbid conditions or	
complications (MCC)	460
Major joint replacement or reattachment of lower extremity without	
major comorbid conditions or complications (MCC).	470
Cervical spinal fusion without comorbid conditions (CC) or major	
comorbid conditions or complications (MCC).	473
Uterine and adnexa procedures for non-malignancy without	
comorbid conditions (CC) or major comorbid conditions or	
complications (MCC)	743
Removal of 1 or more breast growth, open procedure	19120
Shaving of shoulder bone using an endoscope	29826
Removal of one knee cartilage using an endoscope	29881
Removal of tonsils and adenoid glands patient younger than age 12	42820
Diagnostic examination of esophagus, stomach, and/or upper small	
bowel using an endoscope	43235
Biopsy of the esophagus, stomach, and/or upper small bowel using	
an endoscope	43239
Diagnostic examination of large bowel using an endoscope	45378
Biopsy of large bowel using an endoscope	45380
Removal of polyps or growths of large bowel using an endoscope	45385
Ultrasound examination of lower large bowel using an endoscope	45391
Removal of gallbladder using an endoscope	47562
Repair of groin hernia patient age 5 years or older	49505
Biopsy of prostate gland	55700
Surgical removal of prostate and surrounding lymph nodes using an	
endoscope	55866
Routine obstetric care for vaginal delivery, including pre-and post-	
delivery care	59400
Routine obstetric care for cesarean delivery, including pre-and post-	
delivery care	59510
Routine obstetric care for vaginal delivery after prior cesarean	
delivery including pre-and post-delivery care	59610
Injection of substance into spinal canal of lower back or sacrum	62222 6222
using imaging guidance	62322-62323

Specified Shoppable Service	2020 CPT/HCPCS Primary Code
Injections of anesthetic and/or steroid drug into lower or sacral	
spine nerve root using imaging guidance	64483
Removal of recurring cataract in lens capsule using laser	66821
Removal of cataract with insertion of lens	66984
Electrocardiogram, routine, with interpretation and report	93000
Insertion of catheter into left heart for diagnosis	93452
Sleep study	95810
Physical therapy, therapeutic exercise	97110

Step 3: Select additional shoppable services to reach a total of 300⁷

In addition to listing as many of the 70 CMS-specified shoppable services as your hospital provides, you must select and list additional shoppable services to reach a combined total of at least 300 shoppable services.

- In most cases, this means your hospital must select an additional 230 shoppable service for display.
- If your hospital does not offer one or more of the 70 CMS-specified shoppable services, you must select and list additional shoppable services (that is, more than 230) for a combined total of at least 300.
- If your hospital does not provide 300 shoppable services in total, you must list as many shoppable services as your hospital provides.

When selecting a shoppable service, you must consider the rate at which your hospital provides and bills for that shoppable service. In other words, the shoppable services your hospital selects for display should be commonly provided to your hospital's patient population (84 FR 65571).

A service is 'shoppable' if it's a service that can be scheduled in advance, not one that is *always* scheduled in advance. For example, certain imaging or laboratory tests might be performed in an emergent setting and not be shoppable at that time, but could be shoppable under a different circumstance. Accordingly, a hospital could include a service that is only sometimes shoppable in its list of shoppable services.

Step 4: Determine the ancillary services customarily provided with each shoppable service⁸

After identifying your hospital's 300 shoppable services, you must identify and group the ancillary services your hospital customarily provides as part of, or in conjunction with, each shoppable service. Because hospitals differ in how ancillary services are provided and charged, only you can determine which items and services your hospital customarily provides as ancillary services in conjunction with the primary shoppable service and how best to communicate and display your standard charges in a

⁷ Refer to 45 CFR 180.60(a)(1).

⁸ Refer to 84 FR <u>65564</u> and 65565.

consumer-friendly manner. As noted in the Hospital Price Transparency Final Rule, not all shoppable services have associated ancillary items and services.

Though not required, we strongly encourage and recommend, for the sake of consumer-friendly presentation, that you consider indicating any additional ancillary services that are not provided by your hospital but that you know the patient is likely to experience as part of the primary shoppable service, and to indicate that such services may be billed separately by other entities involved in the patient's care. We believe such disclosures may be helpful to enable consumers to identify when services of physicians or non-physician practitioners (who are not employed by the hospital) may be separately charged (84 FR 65535).

The examples below demonstrate different scenarios and how a hospital could present its shoppable service standard charge information (grouped along with standard charges for ancillary services, as applicable). However, the following format is not required. Your hospital has flexibility to choose an appropriate format for presenting your hospital's shoppable service standard charge information in a consumer-friendly manner⁹.

Example 1: No Ancillary Services

Not all shoppable services are associated with additional ancillary services. This example of an office visit illustrates this scenario.

Shoppable Service	Billing Code	[Standard Charge for Plan X]
New patient outpatient visit, 30 min	99203	\$54

Example 2: Ancillary Services Provided as Part of a Primary Shoppable Service

Some shoppable services have ancillary services which are included <u>as part of</u> the shoppable service package. In this example, the hospital and payer have negotiated a standard charge for colonoscopies as a service package that includes all ancillary services.

Shoppable Service	Ancillary Services	Billing Code	[Standard Charge for Plan X]
Colonoscopy		45378	\$2,500
	Physician services	N/A	No additional charge
	Pathology/interpretation of results	N/A	No additional charge
	Anesthesia (medication only)	N/A	No additional charge
	Facility fee	N/A	No additional charge

Example 3: Ancillary Services Provided in Conjunction with a Primary Shoppable Service

Some shoppable services have ancillary services that are customarily provided by the hospital <u>in</u> conjunction with the primary shoppable service. In contrast to Example 2, the hospital and payer have

⁹ These examples are intended to highlight different aspects of the requirements and do not include all required data elements that must be displayed.

not negotiated a standard charge for colonoscopies as a shoppable service, and each ancillary service has a separate standard charge.

Shoppable Service	Ancillary Services	Billing Code	[Standard Charge for Plan Y]
Colonoscopy		45378	\$1,500
	Physician services	[code(s)]	\$822
	Pathology/interpretation of results	[code(s)]	\$75
	Anesthesia (medication only)	[code(s)]	\$122
	Facility fee	[code(s)]	\$500

Example 4: Ancillary Services Furnished by Other Providers

Your hospital is not required to indicate ancillary services that are typically furnished by other providers involved in the primary shoppable service. However, for sake of consumer-friendly presentation, we strongly encourage and recommend that your hospital indicate all ancillary services the customer may expect to receive in conjunction with the primary shoppable service, regardless of whether the hospital or another provider provides those ancillary services, and to indicate they may be billed separately by other entities involved in their care for such ancillary services (84 FR 65566).

Shoppable Service	Ancillary Services	CPT/ HCPCS Code	[Standard Charge for Plan X]
Colonoscopy		45378	\$750
	Anesthesia (medication only)	[code(s)]	\$122
	Physician services	Not provided by hospital (may be billed separately	
	Pathology/interpretation of results		
	Facility fee	[code(s)]	\$500

Step 5: Gather the required data elements for each shoppable service¹⁰

After you have the list of shoppable services your hospital will be including in your consumer-friendly display, you must ensure that you have all the required data elements for each of these services. You will need to include the standard charges, as applicable, and other specific common data elements so that consumers can understand the hospital's standard charges and make comparisons across hospitals.

• **Standard Charges**: Discounted cash price, payer-specific negotiated charges, de-identified minimum negotiated charge, de-identified maximum negotiated charge

 $^{^{10}}$ Refer to 45 CFR §180.20 for definitions of standard charges and 45 CFR §180.60 for requirements of the consumer-friendly display.

- Plain-Language Description: Develop and display a plain-language description of each shoppable service. Your hospital is not required to use, but could consider consulting, the Federal plain language guidelines at https://www.plainlanguage.gov/guidelines/.
- Not Offered Indicator: Indicate when one or more of the CMS-specified shoppable services are not offered by your hospital.
- **Location**: Indicate at which location you provide the shoppable service and include whether the standard charges apply in the inpatient setting, the outpatient department setting, or both.
- Shoppable Service Code(s): Include any primary code used by your hospital for purposes of accounting or billing for the shoppable service, including, but not limited to, the CPT code, the HCPCS code, the DRG, or other commonly used service billing code. If the same or similar shoppable service is paid as a service package by two different payers that use two different common billing codes (for example, an MS-DRG by Medicare versus an APR-DRG by another third-party payer), your hospital is permitted to make appropriate substitutions and cross-walks as necessary in order to display your standard charges for the shoppable services across all your third party payers.

Step 6: Decide how best to display shoppable services in a consumer-friendly manner

As there are a variety of consumer-friendly ways to display standard charges for shoppable services and because we did not want to restrict hospitals from innovating or from having to duplicate efforts, the Hospital Price Transparency Final Rule was not prescriptive regarding the format hospitals must use. Therefore, your hospital has flexibility to determine what format you use to display your shoppable services information in a manner that is consumer-friendly. For example, your hospital may choose to post online one file that displays the standard charges for each third party payer. Or your hospital may decide to make the information available to consumers online without the use of flat files. One example of how your hospital could choose to display shoppable services online using a flat file format is available in Table 2 of the Hospital Price Transparency Final Rule (84 FR 65567). We have not replicated it here, however, because we strongly encourage your hospital to innovate and select a consumer-friendly online format that best meets the needs of your patient population. Regardless of what format your hospital chooses, you should take care to ensure that all the required information is included and that the data is readily accessible to the public.

Step 7: Ensure your display of shoppable services is searchable 11

In order for the information to be easily accessible, your hospital's standard charge data must be presented in format that is searchable by service description, billing code, and payer.

Step 8: Post your shoppable services prominently on a publically available website 12

Your hospital must post its consumer-friendly display of shoppable services prominently on a publicly available website, and the information displayed must clearly identify the hospital location with which the standard charges are associated.

¹¹ Refer to §180.60(d)(3)(iv).

¹² Refer to § 180.60(d).

Furthermore, the information must:

- Be free of charge
- Require no registration or user account or password
- Not request personally identifying information (PII).

Finally, we expect that your hospital will post its information in a format accessible to people with disabilities or to otherwise ensure that individuals with disabilities can readily access your hospital's standard charge information, in accordance with any applicable federal or state laws (FR 84 65581).

Step 9: Update your consumer-friendly shoppable services display annually¹³

Your hospital must update its standard charge information for its consumer-friendly display at least once annually and clearly indicate the date that your hospital most recently updated the information.

Step 10: Double check that you've met the requirements.

CMS developed a Hospital Price Transparency Checklist¹⁴ to help you double check all the requirements. This should <u>not</u> be interpreted as a substitute for reading and meeting the requirements of the Hospital Price Transparency Final Rule. This brief checklist along with this document are meant to assist your review of the consumer-friendly display of shoppable services as you prepare to make public the standard charges and associated data elements.

¹³ Refer to Refer to § 180.60(e).

¹⁴ Url for External Checklist (this is currently being drafted). Depending on length, we could also embed it within the document itself.