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CMS Continues to Push for Hospital Price Transparency in Final Rule

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As discussed in our previous blog, "[CMS Pushes for Hospital Price Transparency in Proposed Rule](#)", on April 24, 2018, the Centers for Medicare & Medicaid Services ("CMS") announced a proposed rule (CMS-1694-P) aimed at empowering patients through better access to hospital charge information. In an effort to fulfill the proposed rule's objective, CMS suggested an amendment to the requirements previously established by Section 2718(e) of the Affordable Care Act.

On August 2, 2018, CMS issued the [final rule \(CMS-1694-F\)](#), which included the suggested amendment discussed in the April 24, 2018 proposed rule. Currently, under Section 2718(e), hospitals are given the option to either (i) make public a list of the hospital's standard charges (whether that be the chargemaster itself or in another form of the hospital's choice); or (ii) implement policies for allowing the public to view a list of the hospital's standard charges *in response to an individual request*.

However, beginning January 1, 2019, hospitals will be required to "make available a list of their current standard charges via the Internet in a machine readable format and to update this information at least annually, or more often as appropriate. This could be in the form of the chargemaster itself or another form of the hospital's choice, as long as the information is in machine readable format." CMS believes that this update will further promote price transparency by improving public accessibility of hospital charge information.

In the final rule, CMS explains that it is aware of the challenges that continue to exist because the chargemaster data may not accurately reflect what any given individual is likely to pay for a particular service or visit. Additionally, the comments received in response to the proposed rule argue that the chargemaster data would not be useful to patients because it is confusing as to the amount of the actual out-of-pocket costs imposed on a particular patient. CMS further explains that it is currently reviewing the concerns addressed in the comments, and is considering ways to further improve the accessibility and usability of the information disclosed by the hospitals.

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Article By [Jordan E. Grushkin](#)
[Matthew J. Goldman](#)[Cody Fierro](#)
[Sheppard, Mullin, Richter & Hampton LLP](#)
[Healthcare Law Blog](#)
[Health Law & Managed Care](#)
[All Federal](#)