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ON POSTING STANDARD CHARGES

Effective January 1, 2019, the Department of Health and Human Services, Centers for Medicare & Medicaid Services (CMS) requires hospitals to list standard charges to the public via the internet in a machine-readable format and to update this information at least annually (*Fiscal Year 2019 Inpatient Prospective Payment System Final Rule, 83 Fed. Reg. 41144 (Aug. 17, 2018)*)

HFMA offers these tips when complying with this requirement.

► CHECK OUT CMS FAQs ON THIS TOPIC:

[Frequently Asked Questions Regarding Requirements for Hospitals To Make Public a List of Their Standard Charges via the Internet](#)

In addition, CMS released a second FAQ clarifying that hospitals are required to establish (and update) and make public a list of their standard charges *for each diagnosis-related group* under section 1886(d)(4) of the Social Security Act.

[Additional Frequently Asked Questions Regarding Requirements for Hospitals To Make Public a List of Their Standard Charges via the Internet](#)

► EDUCATE YOUR PATIENTS

It is helpful to provide guidance to patients on how standard charges relate to the price they will pay for their healthcare and to provide guidance on price estimation resources.

The standard charges listed may not reflect out of pocket costs for patients. This is because charges often serve as a starting point for negotiations between hospitals and health plans. Therefore, hospitals may want to provide information to patients on price estimation resources including the differences in price and charge as defined in HFMA's [Price Transparency initiative](#):

Price: the total amount a provider expects to be paid by payers and patients for healthcare services.

Charge: The dollar amount a provider sets for services rendered before negotiating any discounts

In addition, HFMA recommends hospitals, health systems and physician practices make available the following consumer resources:

HFMA's [Understanding Healthcare Prices](#) to help consumers understand where to get answers to their questions about healthcare prices, compare prices among providers, and manage their out-of-pocket costs.



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HFMA's *Avoiding Surprises in Your Medical Bills* to help consumers understand the questions they should ask to avoid receiving an unexpected medical bill. Healthcare organizations are encouraged to incorporate this guide in their pre-procedure communications with patients and to post it on their websites as a resource for their communities.

- ▶ **PROVIDE INFORMATION** on your organization's Financial Assistance Policy and provide contact information for patients.

- ▶ **DESCRIBE THE COMMUNITY BENEFIT** that your organization provides. HFMA's Principles and Practices Issue Analysis on [The Relationship of Community Benefit to Hospital Tax-Exempt Status](#) provides information on communicating the community benefit of your organization.