

Starter checklist

How to get
ready for
price transparency



The new rule from CMS mandates that hospitals will have to publicly disclose all standard rates for care, including negotiated rates with insurers, by January 2021, as well as surfacing at least 300 shoppable services in a consumer-friendly manner for patients. We've provided a starter checklist below to make sure you'll be prepared..



To get the full checklist

Download the Executive briefing.

Read the full Executive briefing to get the full guidance on how you can turn the regulation into a competitive differentiator.



Rule application: who needs to comply?

The final rule applies only to hospitals, as defined by Medicare-participation and state and local regulations.

Standard charges: what do I need to share?

Hospitals must make public a list of all standard charges for both inpatient and outpatient items and services, including:

- Individual items
- Service packages
- Facility fees
- Fees for service of employed clinicians (applies to both physicians and non-physician practitioners)
- Any other items or services for which the hospital has established a charge
- *Not including:* Service fees of those who are not employed by the hospital but provide services at a hospital location (although ancillary services must be grouped with a primary shoppable service)

Standard charges: what do I need to share? (continued)

Hospital standard charges are defined as:

- Gross charges
- Payer-specific negotiated charges
- Discounted cash price and corresponding ancillary services
- De-identified minimum negotiated charge and corresponding ancillary services
- De-identified maximum negotiated charge and corresponding ancillary services

The formatting of all standard charges must include:

- Plain language description of each item or service
- Corresponding gross charge
- Corresponding payer-negotiated charge with the name of the third party payer
- Any billing code, including CPT, HCPCS, DRG, NDC, or other common identifier
- Revenue code as applicable
- A list of all the ancillary items and services, including the payer-specific negotiated charge for each one
- Location of where each shoppable service is provided by the hospital (including whether application is inpatient, outpatient or both at that setting)



Shoppable services: what are they and how do I need to share them?

- The rule requires that hospitals must share at least 300 “shoppable services” on the webpage. Services are considered “shoppable” when a consumer can schedule it in advance.
- CMS has mandated 70 of these services; the remaining 230 are at the discretion of the hospital.
- This information must be prominently displayed, and must be provided “without barriers,” meaning that the data must be accessible free of charge, without having to establish an account and without having to submit personally identifiable information (PII). It also is required to be searchable by service description, billing code and payer.

Download the Executive briefing to receive the full checklist (including key sections on Shoppable Services, Compliance and Standard Formatting Requirements).



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Talk to our Cedar experts.



