

On July 31, the Centers for Medicare & Medicaid Services (CMS) posted its calendar year (CY) 2024 Outpatient Prospective Payment System (OPPS) proposed rule. Within the rule, CMS proposed several changes to hospital price transparency requirements. A CMS fact sheet on these changes is available [here](#). Below is a summary of these proposed changes.

Comments on the proposed rule are due Sept. 11, 2023. IHA encourages members to submit comments on these and other proposed changes in the CY 2024 OPPS proposed rule.

#### Encode, as Applicable, All Data Items in the Machine-Readable File (MRF)

CMS proposed that hospitals must encode all standard charge information, as applicable, that corresponds to required data elements. These required data elements include:

- Hospital name, license number, location name(s), and address(es) at which the public may obtain the items and services at the standard charge amount indicated in the MRF, the version number of the file and the date of the most recent update of the standard charge information in the file. CMS refers to these as general data elements.
- Each type of standard charge, gross charge, payer-specific negotiated charge, de-identified minimum and maximum negotiated charge, and discounted cash price.
- For payer-specific negotiated charges, the hospital must include the payer and plan name, the type of contracting method used to establish the standard charge, whether the standard charge indicated should be interpreted by the user as a dollar amount or if the standard charge is based on a percentage of algorithm, and what percentage or algorithm determines the dollar amount for the item or service. If the standard charge for an item or service is expressed as a percentage or algorithm, CMS would require the hospital to indicate a consumer-friendly expected allowed amount in dollars for the item or service.
- A description of the item or service that corresponds to the standard charge established by the hospital, including a general description, whether the item or service is provided in connection with an inpatient admission or an outpatient department visit, and for drugs, the drug unit and type of measurement.
- Any codes used by the hospital for purposes of accounting or billing for the item or service, including modifier(s) and code type(s) (for example, whether the code is based on HCPCS, CPT, APC, DRG, NDC, revenue center, or other type of code).

#### Improving the Accessibility of Hospital MRFs

CMS proposed requirements that hospitals ensure the public website includes a .txt file in the root folder that includes the hospital location name that corresponds to the MRF, the source page URL, a direct link to the MRF (the MRF URL), and contact information for a point person at the hospital. The hospital must also ensure the public website includes a link in the footer on its website, including but not limited to the homepage, that is labeled “Hospital Price Transparency” and links directly to the publicly available webpage that hosts the link to the MRF.

#### Formatting Requirements for Displaying Standard Charge Information using a CMS Template

CMS proposed requiring each hospital to conform to a specific template layout, data specifications, data dictionary, and to meet any other specifications related to the encoding of the hospital's standard charge information in its MRF. If finalized, CMS will make at least one CMS template available to hospitals, and hospitals would be required to conform to its layout and comply with technical instructions (located in the template, corresponding data dictionary, and other technical guidance) to be published on a CMS website (such as the HPT website or CMS GitHub).

CMS proposed making the template available in CSV and JSON formats. There would also be three layouts: (1) JSON schema (plain format), (2) CSV ("wide" format), and (3) CSV ("tall" format). CMS would make technical guidance available through a data dictionary and within the CMS template. Hospitals that do not conform to the CMS template layout, data specifications, and data dictionary would be determined to be noncompliant and could be subject to a compliance action.

CMS also solicits comment on whether it should develop an MRF validator tool. Hospitals would use the validator tool as a check for compliance with the formatting requirements in statute, thereby providing some additional technical instruction and assurance that the formatting requirements have been met prior to posting the MRF online. CMS seeks comment on whether hospitals would find a validator tool helpful and, if so, what technical specifications such a validator ought to assess.

If finalized, CMS proposes a 60-day enforcement grace period for adoption and conformation to the new CMS template layout and encoding of standard charge information of the newly proposed data elements. This proposal would be with respect solely to enforcement actions based on the new CMS template display requirements; it would in no way affect already-initiated compliance actions or actions for noncompliance with other hospital price transparency requirements currently being implemented. This proposal would also not apply to other proposals in this proposed rule, which would become effective and enforced on Jan. 1, 2024.

#### Improving and Enhancing Enforcement

CMS proposed several initiatives to improve and enhance enforcement of hospital price transparency requirements. These include:

- Ability to conduct a comprehensive compliance review of a hospital's standard charges information posted on a hospital's publicly available website;
- Requiring an authorized hospital official to submit to CMS a certification to the accuracy and completeness of the standard charges information posted on the MRF at any stage of the monitoring, assessment or compliance phase;
- Requiring the hospital to affirm within the MRF the accuracy and completeness of the standard charges information;
- Requiring submission to CMS of additional documentation as necessary to assess hospital compliance, which may include contracting documentation to validate the standard charges the hospital displays, and verification of the hospital's licensure status or license number, in the event that information was not provided in the MRF;
- Should CMS need to send a hospital a warning notice, the hospital would be required to acknowledge receipt, and CMS may request contact information from the hospital to streamline further communications;
- Amending the regulation to provide CMS with express authority to notify health system officials of a compliance action that CMS has taken against one or more hospitals within their system, and working directly with them, when appropriate, to educate health system leadership and aid them in bringing all hospitals in the system into compliance. When CMS takes actions to address hospital noncompliance and determines the hospital is part of a health system, CMS may notify the health system leadership of the action and may work with hospital system leadership to address similar deficiencies for hospitals across the system; and
- CMS may publicize on its website information related to CMS' assessment of a hospital's compliance, any compliance actions taken against a hospital, the status of such compliance action(s), and the outcome of such compliance action(s). Additionally, CMS may publicize on its website information related to notifications that CMS may send to health system leadership.

#### Seeking Comment on Consumer-Friendly Displays and Alignment with Transparency in Coverage and No Surprises Act

Finally, as part of the proposed rule, CMS is seeking comment via a lengthy request for information on how to align initiatives across hospital price transparency requirements, the Transparency in Coverage Act, and the No Surprises Act. Much of this request for information focuses on consumer awareness and making things easier for consumers.

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