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By Nina Youngstrom

◆ CMS has posted a new answer to a frequently asked question (FAQ) about its pricing transparency requirement. It states that “all hospitals operating within the United States are required [to] establish (and update) and make public a list of their standard charges for all items and services provided by the hospital. Under current guidelines, subsection (d) hospitals are additionally required to establish (and update) and make public a list of their standard charges for each diagnosis-related group established under section 1886(d)(4) of the Social Security Act. The format for standard charges for each diagnosis-related group is the hospital’s choice. CMS posts information regarding inpatient charges for subsection (d) hospitals at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Inpatient.html>.” That’s the latest word from CMS on the controversial area of hospital pricing transparency. Although the Affordable Care Act (ACA) set forth transparency requirements, which were expanded in the 2019 inpatient prospective payment system (IPPS) regulation, CMS said in FAQs that hospitals must comply with them by posting their chargemaster, causing a firestorm because chargemaster prices are unrelated to the amount of money patients have to pay, and they will be alarmed by what’s on hospital websites, experts say (RMC 10/15/18, p. 1). Posting DRG charges was not in CMS’s discretion, however, because it’s specifically required by the ACA, but again, patients will be misled, says Washington, D.C., attorney Sara Iams, with Polsinelli. “Even based on CMS’s own data, charges are not reflective of what hospitals get paid or what patients’ out-of-pocket costs will be.” Contact Iams at siams@polsinelli.com. View the FAQs at <https://go.cms.gov/2Qicp5A>.

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