



Simplifying Compliance for Healthcare Leaders: A Guide to Hospital Price Transparency

Our Health Catalyst Expert



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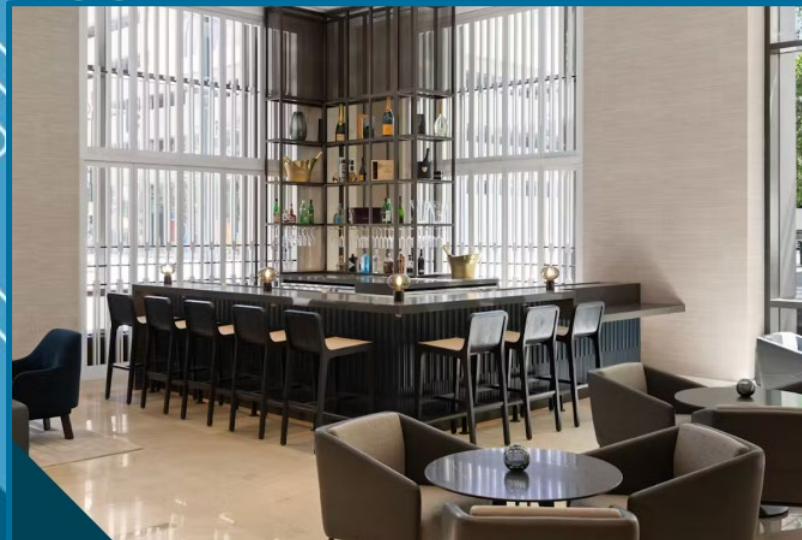
HFMA Annual Conference

June 22-25, 2025
Denver, CO

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Golden Hour Gathering at EDGE

EDGE Restaurant and Bar | Denver, CO
Monday, June 23, 2025

Join us at the EDGE Restaurant & Bar Monday evening for a night filled with delicious food, drinks, and great company. This event offers the perfect opportunity to unwind and connect with fellow healthcare professionals and industry experts.

Agenda

- Brief History | Hospital Price Transparency
- Transform Complex Pricing Data into Compliant Machine-Readable Files
- Develop a Shoppable Services List that Conform to Regulations
- Keep Pace with Shifting Regulations and New Executive Orders
- Q&A

Initial Mandate Requirements

As of January 1, 2021, hospitals need to prominently post a machine-readable file and list of 300 shoppable services on a publicly-available website

Machine-Readable File

All items and services provided by the hospital with five standard charges

- ❖ Gross charge
- ❖ Discounted cash price
- ❖ Payer-specific negotiated charges
- ❖ Deidentified minimum negotiated charges
- ❖ Deidentified maximum negotiated charges

300 Shoppable Services

- ❖ Consumer-friendly display
- ❖ Plain-language descriptions and associated ancillary services
- ❖ Five standard charges

Frequent Changes—2024 and Beyond

2024 Changes

January 1, 2024

- Public website must include a **.txt file in the root folder** and a **link in the footer** on its website labeled “Price Transparency” that links directly to the MRF.

July 1, 2024

- Each hospital must conform to the **CMS Template layout**, data specifications, data dictionary, and other technical instructions, including an **affirmation statement in the MRF**.

2025 Changes

January 1, 2025

- **Estimated Allowed Amount.** The average dollar amount historically received from a 3rd party payer.
- **Drug unit and unit of measurement.** Any item with an NDC must include drug unit and unit of measurement as separate data elements.
- **Any modifier that may change the standard charge** must be included with a description of how the charge is affected.

And likely more changes to come...

Executive Order 13877

On February 25, 2025, an executive order reinforced hospital price transparency regulations and **directed federal agencies (HHS, Treasury, Labor) to increase enforcement within 90 days.** *(deadline: late May 2025)*

- ❖ Hospitals must publicly disclose **actual prices (not estimates)** for procedures, maintain a machine-readable pricing file, and offer a consumer-friendly display of 300+ shoppable services.
- ❖ Insurers must publish negotiated rates, out-of-network payments, and prescription drug prices.



Audience Poll

What is the biggest compliance challenge with Hospital Price Transparency Mandate?

A

Confusing and changing regulations

B

Difficulty interpreting or getting information from 3rd party payers

C

Issues with translating data into CMS required template

D

Lack of Internal Resources

KLAS Research

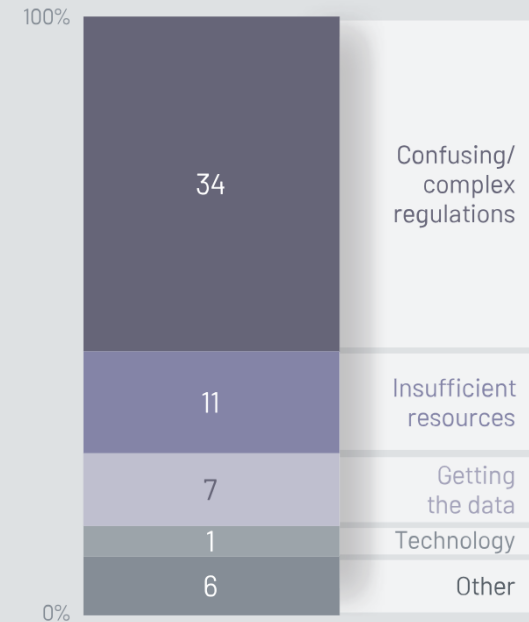
Hospital perceptions of CMS price transparency regulation

Confusion Abounds around Regulation Expectations and Needs

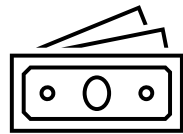
Respondents say the CMS regulation as it is written today is confusing; it is unclear what organizations need to do and where the regulation will go from here. Many organizations are not investing beyond the bare minimum requirements, and they don't plan to do more until there is further clarity around the regulations and the expectations going forward. The second most-common challenge, cited by one-third of respondents, is lack of sufficient resources to remain compliant. Respondents are uncertain about the number and types of resources required today, much less the resources required in the future as price transparency rules evolve or are interpreted differently. Several respondents say their organization has had to bring in outside consulting groups to help navigate the requirements. Additionally, many have invested a lot of time into educating their employees about price transparency rules via webinars, classes, and resources for self-directed learning.

"Like everybody else, we are reactive, and we do what we can. But we are hesitant to do more than what is expected or written because the price transparency rules may change. We don't want to invest in technology or third-party vendors that are ill prepared for changes." —Business office director

Respondents' Challenges with Achieving Compliance



CMS Enforcement



PENALTIES

- **Maximum penalty increased** from \$109,500 up to \$2,007,500
- **Daily penalty**
 - **Bed counts > 30:** \$10 per bed
 - **Bed counts > 30:** \$5,500 per day



AUDITS

- **CMS performs random audits** and investigates complaints related to price transparency
- **As of April 2025**, CMS has issued 1,888 warning notices and 25 CMP Notices, 10 of which are under appeal

CMS Enforcement



ACTIONS

- CMS now **requires acknowledgement of warning** notices **within 5 business** days of receipt
 - Email to Hospital Price Transparency at HPTCCompliance@cms.hhs.gov
 - CEO contact information *must* be included



PUBLICATION

- Enforcement activities and outcomes are publicized on the CMS website at [Hospital Price Transparency Enforcement Activities and Outcomes](#)

Common Violations in 2024 and 2025

1. Failure to ensure that the public website the hospital selected to host its machine-readable file establishes and maintains, in the form and manner specified by CMS a .txt file in the root folder as required by 45 CFR 180.50(d)(6)(i).
2. Failure to ensure that the public website the hospital selected to host its machine-readable file establishes and maintains a link in the footer on its website that is labeled “Price Transparency” and links directly to the publicly available web page that hosts the link to the machine-readable file as required by 45 CFR 180.50(d)(6)(ii)

Hospital Price Transparency CSV Data Dictionary

Review this entire data dictionary for how to disclose data elements in CSV and find the [CSV "Tall" template here](#) and [CSV "Wide" template here](#) to begin building your hospital MRF. For an explanation of how to interpret the data element tables, review the [How to Read the Data Dictionary Tables](#) information.

General CSV Instructions

Developers of machine-readable files (MRFs) should generally consider and adopt established standards and industry norms for CSV files when creating the MRF. For more information on CSV standards visit <https://www.rfc-editor.org/rfc/rfc4180>.

For CSV, hospitals may choose either a "wide" or "tall" layout. The CSV MRF must be saved as plaintext data separated by commas (",") and not use other delimiters. Below are additional reminders to avoid common errors in MRFs:

- Do not insert a value or any type of indicators (e.g., "N/A") if the hospital does not have applicable data to encode. If you would like to include an explanation for the blanks, you may do so using Additional Generic Notes or Additional Payer-Specific Notes.
- Encode valid values as instructed below. Values encoded incorrectly will generate a deficiency.
 - For example, if the valid value is 'numeric' (such as for Payer-Specific Negotiated Charge: Dollar Amount), inserting anything other than a number (such as inserting a dollar sign with a number) will generate a deficiency. Similarly, if the valid value is 'enum' (such as for Code Type), inserting anything other than the values indicated (such as inserting 'other') will generate a deficiency.
 - All "Numeric" data elements must be positive numbers. Entering a negative number or "0" will generate a deficiency.
- While [GitHub examples](#) exclude leading and trailing spaces in headers, valid values, and around pipes, inadvertently inserting spaces will not generate a deficiency. Similarly, while [GitHub examples](#) may use capital and lower-case letters, valid values are case-insensitive and changes in capital vs lower-case letters will not generate a deficiency.
- Hospitals are permitted to include additional optional information through optional data elements that are defined in the data dictionary (e.g., billing class and hospital financial aid policy) or hospital created data elements. Follow the technical instructions for including the defined optional data elements.
- Ensure all [conditional requirements](#) are met for an MRF to be considered valid.
- Do not repeat column headers in row 1 and 3. Ensure each header is unique.

Encode the headers and valid values according to the data element implementation timeline in the HPT regulation ([45 CFR § 180.50](#)) as finalized in the [CY2024 OPPS/ASC](#) final rule.

Charge Description Master (chargemaster)	CDM
TriCare Diagnosis Related Groups	TRIS-DRG

hospitals

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Hospital Price Transparency Tools



**ONLINE
VALIDATOR**



CLI VALIDATOR



**MRF NAMING
WIZARD**



**TXT FILE
GENERATOR**

- All MRFs are run through the CMS Online Validator which records proof of success
- Files are named using current MRF naming conventions
- TXT file is generated and given to hospital for use on their own root folder

Issues with Contracts

Contracts can be confusing and have multiple different terms and payment methodologies

There is **often little to no consistency** between payers

Service	Billing Codes	Rates 05/01/2021 – 05/31/2022	Rates 06/01/2022 – 05/31/2023	Rates 06/01/2023 –
Sub-Acute Care: (Alternative Deliv) Level III-Complex Level IV-Intensive	Revenue Codes: 193, 194	\$1483.00 Per Diem	\$1525.00 Per Diem	\$1570.00 Per Diem
Psychiatric Care	Revenue Codes: 114, 124, 134, 144, 154, 204	\$1288.00 Per Diem	\$1324.00 Per Diem	\$1363.00 Per Diem
Inpatient Detoxification Services	Revenue Codes: 116, 126, 136, 146, 156 or 118, 128, 138, 148, 158, and Behavioral Health Rehab ICD-10 codes or HCPCS codes: H0008-H0011	\$1288.00 Per Diem	\$1324.00 Per Diem	\$1363.00 Per Diem
Maternity Care: Vaginal Delivery (mother only) (Mom)	Revenue Codes: 100, 101, 110, 111, 112, 120, 121, 122, 130, 131, 132, 140, 141, 142, 150, 151, 152, 160; ICD-10 Procedure codes: 10D07Z3 - 10D07Z8, 10E0XZZ	\$5206.00 Case Rate	\$5351.00 Case Rate	\$5507.00 Case Rate
Maternity Care: C-Section Delivery (mother only) (Mom)	Revenue Codes: 100, 101, 110, 111, 112, 120, 121, 122, 130, 131, 132, 140, 141, 142, 150, 151, 152, 160; ICD-10 Procedure codes: 10D00Z0 - 10D00Z2	\$7289.00 Case Rate	\$7492.00 Case Rate	\$7710.00 Case Rate
Orthopedic Joint Surgery	DRG Codes: 461-462, 469-470, 483-484, 521-522	\$14577.00 Case Rate (DAYS 0-3)	\$14983.00 Case Rate (DAYS 0-3)	\$15418.00 Case Rate (DAYS 0-3)
Spine Surgery	DRG Codes: 028-030, 453-455, 456-458, 459-460, 471-473, 490-491	\$12495.00 Case Rate (DAYS 0-2)	\$12843.00 Case Rate (DAYS 0-2)	\$13216.00 Case Rate (DAYS 0-2)
Cardiac Procedures 5 Day Case Rate, Level of Care thereafter.	DRG Codes: 215-221, 228-236	\$57989.00 Case Rate (DAYS 0-5)	\$59602.00 Case Rate (DAYS 0-5)	\$61331.00 Case Rate (DAYS 0-5)

Customizable Payer Matrix

Easily view all services, methodologies, source types, and more

Service Name	Methodology	Source Type	Calculation Type	Notes
Coronary Services	Case Rate	Code List	Flat Rate: \$27,302	Reimbursed at 51.73% of charges when charges exceed outlier
Coronary Services	Case Rate	Code List	Flat Rate: \$26,601	Reimbursed at 51.73% of charges when charges exceed outlier
Maternity	Case Rate	Code List	Flat Rate: \$4,551	Reimbursed at 51.73% of charges when charges exceed outlier
Neonate	Per Diem	Code List	Flat Rate: \$1,967	Reimbursed at 51.73% of charges when charges exceed outlier
Rehab	Per Diem	Code List	Flat Rate: \$1,293	Reimbursed at 51.73% of charges when charges exceed outlier
Mental Health/Substance Abuse	Per Diem	Code List	Flat Rate: \$1,273	Reimbursed at 51.73% of charges when charges exceed outlier
Other DRG	Case Rate	Fee Schedule	Base Rate x Weight: \$9,946	Reimbursed at 51.73% of charges when charges exceed outlier

Customizable Payer Matrix

Quickly add or edit rate details

INPATIENT - Edit Rate Detail

Service Name *

Maternity

☐

Use service name for description

Priority *

30

Methodology *

Case Rate

Source Type *

Code List

Code List

Code Type *

MS-DRG

Filter Codes *

768,783-788,796-798,805-807

Standard Charge Calc: *

☒

Flat Rate: *

4551

\$

☐

Fee schedule weight x base rate: *\$





☐

Fee schedule rate x percentage: *%

Cancel

Save

Customizable Profile

Actions	Location Name	Location Address	NPI
 	Zombie Health Main	123 Anywhere Ave.	987654321
 	More Zombie	98765 Somehow Somewhere	1122334455

FACILITY UI

☒ Machine Readable File Enabled

☒ Shoppables Enabled

☒ Chargemaster Enabled

Update Disclaimers

CONTACT INFO


Contact Name: Zombie McNugget

Contact Email: Zombie@Healthcatalyst.com

Source Page URL: <https://search.hospitalpriceindex.com/hpi2/machineReadable/2024AdminPanelZombie/9119>

Machine Readable URL: https://sthpiprd.blob.core.windows.net/machine-readable-files/9119/99999900_zombie-health-main_standardcharges.csv

Logo:



UPDATE LOGO

Hospital Price Index

Specific to your organization

HOSPITAL PRICE INDEX

Shoppable Items | Machine-Readable File

Last Update: 2025-01-21

Selecting any payer will allow you to see the cash discount rate for self-pay patients.

ABC General Hospital

All | Inpatient | Outpatient

Biopsy of Breast Through Minor Skin Incision With Ultrasound Guidance

Aetna Commercial

5 of 5 results

Description	Associated Codes	Gross Charge	Payer Allowed Amount	Cash Discount	Deidentified Min Allowed	Deidentified Max Allowed
Biopsy of Breast Through Minor Skin Incision With Ultrasound Guidance	19083	\$8,170.65	\$1,869.00	\$4,085.32	\$963.97	\$4,855.00
Mammography	0401	\$1,372.88	N/A	\$686.44	N/A	N/A
Laboratory	0300	\$3,000.88	N/A	\$1,500.44	N/A	N/A
Medical & Surgical Supplies	0270	\$950.44	N/A	\$475.22	N/A	N/A
Drugs	0250	\$40.16	N/A	\$20.08	N/A	N/A

Expert Guidance

Our team of experts will work with your staff to turn existing contracts or internal matrices into a machine-readable file that passes the CMS Validator Tool and provide you with a compliant .txt file to add to your root folder





Since 2018, we've *empowered* over 500 hospitals to meet Price Transparency requirements with speed and agility, *adapting seamlessly* to evolving regulations and industry trends.

A Comprehensive Solution

- We offer **solutions for shoppable services** in addition to MRF generation
- Pricing information is obtained from historical claims data, **updated to reflect current pricing**
- **Patient friendly descriptions** for all CPT-HCPCS services
- **Proprietary algorithm** that can assign ancillaries to appropriate service when multiple procedures are performed



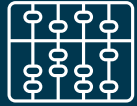


Questions?

Jennifer Bishop | VP of Product Content

*Alora Martin | Webinar Program Manager
hcwebinars@healthcatalyst.com*

Frequently Asked Questions



Do we have to provide a list of shoppable services if we have a patient estimator tool?



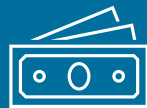
Do we have to show negotiated payments for all 3rd-party payers?



Can hospitals choose between showing the MRF and a list of shoppable services in a patient-friendly format?



Do we need to include charges for services that have not been provided in the past 12 months?



How do we reflect a cash discount price if our hospital doesn't have a standard cash discount? Do we need to display prompt pay discounts information?



Connect with us at

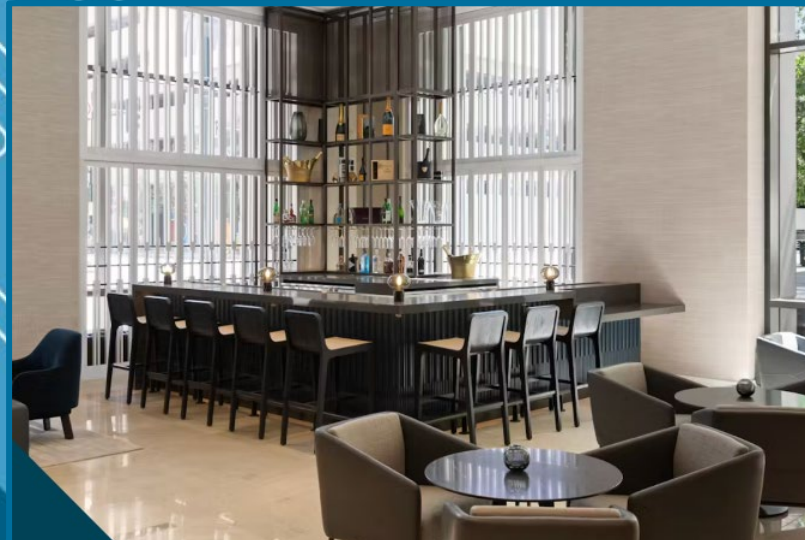
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