



Federal & State Update No Surprises Act & Price Transparency

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No Surprises Act/IDRs 2024

The No Surprises Act Updates

May 1, 2024 FAQ Points of Contention:

- The tri-Departments released FAQs extending enforcement relief allowing any plan or issuer, or party to a payment dispute in the Federal IDR process that uses a qualifying payment amount (QPA) calculated in accordance with the methodology in effect immediately before the decision in TMA III.
- Since initially releasing those first FAQs in October 2023, the Departments received feedback that despite efforts by plans and issuers to recalculate QPAs in a manner consistent with TMA III, those plans and issuers need additional time to come into compliance. Consequently, these FAQs provide an additional six months of enforcement discretion.

April 23, 2024 AEOB Implementation Progress:

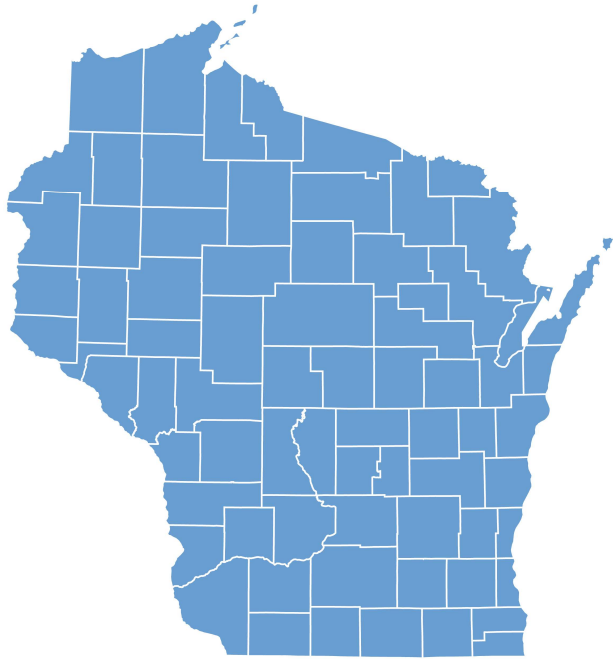
- On March 30, 2023, the Da Vinci Patient Cost Transparency Workgroup published the Guide Release 1.
 - Detailed guidance for providers to transmit GFEs to payers, for payers to transmit AEOBs to patients, and optionally for payers to return AEOBs to the initiating provider using HL7 FHIR-based standards.⁷
- The agencies solicit industry partners and stakeholders to engage in a potential real-world pilot or demonstration project of these standards to provide meaningful feedback for future iterations of data exchange standards and more complex use cases, as well as help guide future policy decisions.

CMS Reports on IDR Results for 2023



Notable Results Include:

- Providers (including air ambulance providers) prevailed in 77% of the nearly 84,000 disputes in the first part of 2023.
- IDR entities frequently found that insurers' QPA offers were unequitable.
- Certified IDR entities have scaled up their operations to address the high volume of disputes
- Number of determinations made during the first half of 2023 quintupled the amount made over the portal's 8 ½ months of operation in 2022.



Wisconsin

IDR Results for Q2 2023

Notable Results Include:

- For hospital inpatient and emergency room providers there were nearly 360 disputes.
- Of those providers prevailed in 82%.

HFMA IDR Template



Month Day, Year

ATTENTION: Independent Dispute Resolution

Re: *John Doe*

Insurance: *Example Payer*

Policy #: XXXXXXXX

DOS: *XX-XX-XXXX*

Facility: *ABC Hospital*

Claim#: *XXXXX*

Dear Reviewer:

We filed a claim for Emergency Services at our facility totaling \$2,948.59. Despite our efforts, the original Explanation of Benefits (EOB) only reimbursed us \$22.81, allowing us to bill the patient \$502.32. An Open Negotiation Notice was issued to *Example Payer* on *date*, but we were unable to reach an agreement. *Example Payer's* final offer was \$750.48, significantly lower than the EOB's Qualified Payment Amount (QPA) of \$1,637.86. No mitigating circumstances exist that should prevent ABC Hospital from receiving the full QPA.

The patient was in a critical emergency state, with open wounds, escalating pain, and a known history of vasculitis. According to medical standards, an emergency condition is defined as a sudden and unexpected medical situation that presents acute symptoms of such severity—like severe pain—that a prudent layperson, with average knowledge of health and medicine, would reasonably expect to endanger the patient's health or result in significant impairment or dysfunction of bodily functions or organs if immediate medical attention is not provided.

The reason we are entitled to the full QPA is due to the expenses we, the facility, incurred while providing care to this patient.

Staffing – Our hospital is an accredited acute care facility. We have an accredited wound center that offers treatments including hyperbaric oxygen. As an Emergency Department, we are open 24 hours a day, 365 days a year and we are staffed with highly trained professionals. Our staff registered the patient, obtained vitals, did an initial patient assessment, assisted the physician, collected the lab specimens, performed, and resulted the lab tests, attached necessary equipment to the patient and monitored the cardiac performance ordered by the physician. In this case we also performed care coordination by working with a specialist to move the patient to the top of a wait list so she could be seen more quickly to prevent any complications. The facility fees we billed to *Example Payer* help to cover those costs.

Supplies – all supplies and equipment from the small expense items (bandages, masks, gloves, and bedding) to the large expense items (reagents for lab tests, complex, expensive equipment used to perform the lab tests, and complex equipment to monitor cardiac performance) are costs incurred by the facility. Documentation of this is in the attached medical records.

We respectfully request that you allow *ABC Hospital* to be paid the full QPA for the medically necessary services we provided.

Jane Doe

Denial Resolution Specialist *ABC Hospital*



Federal Price Transparency



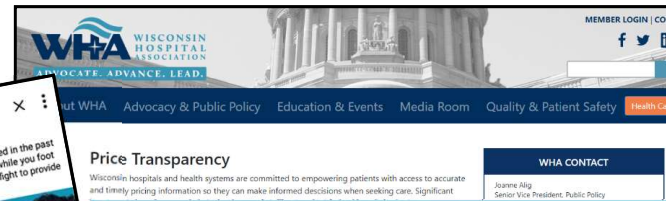
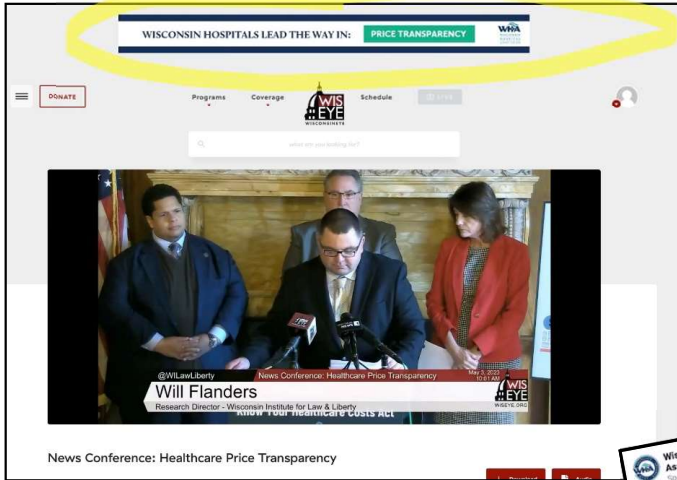
State Activity

State Transparency Legislation

- Introduced on June 8
- Would have created completely separate and additional state-level submission requirements and penalties for non-compliance with federal price transparency rule.
- October 4 Hearing
- Continued to meet with legislators, lunch “the Truth on Transparency” videos, and push back on this unnecessary legislation.



The Truth About Transparency in WI



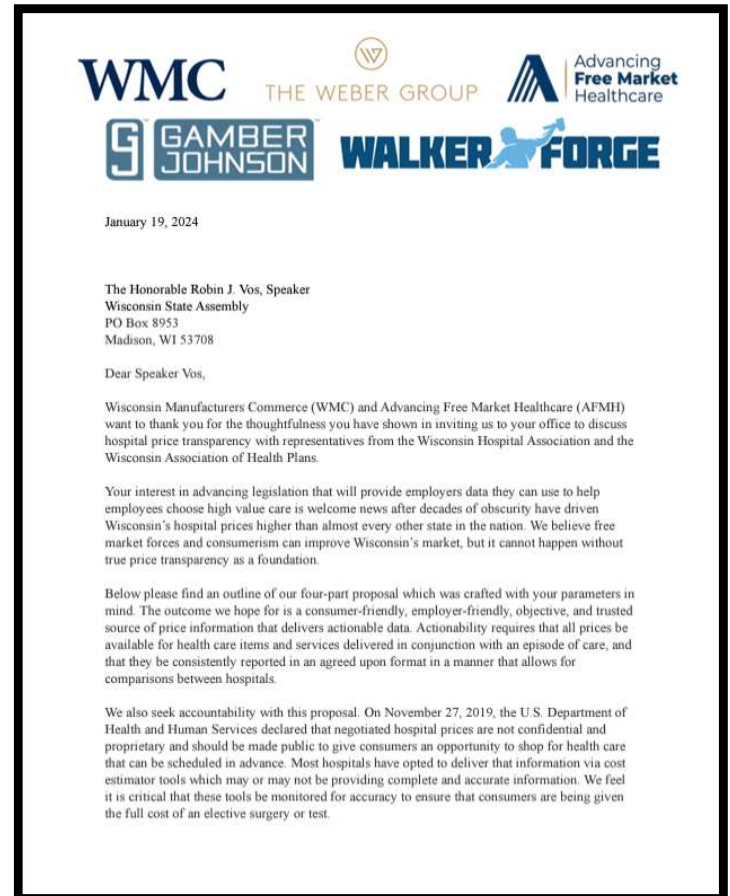
Where is this headed?

- Session ended – bill is still ‘just a bill’
- Key is that some legislators would not move forward unless insurers, self-employed health plans are included.
- Transparency is not happening this session, *but it’s not going away.*
- Speaker Vos convened group at the request of WMC, *Advancing Free Market Healthcare.*
 - *Advancing Free Market Healthcare & WMC bring in Walker Forge, Gambler & Johnson, The Weber Group and Sargento.*
 - *AFMH pivoted to the need for hospitals to provide a shoppable services list, which is not a requirement to comply with federal price transparency regulations.*



WMC, Employers Put Forward Package

- **Mandate Payer Data Submission to WHIO**
 - Require all payers to submit claims data on a monthly basis.
- **Hospital Data Requirements**
 - Standardized payer names
 - Send URL for transparency pages to WHIO
 - Require hospitals to put a link to WHIO on their transparency webpage
 - Withhold DSH payments “at the system level” for noncompliant hospitals.
- **WHIO Provisions**
 - Create website that compares “the price of an episode of care” for 300 shoppable services
 - Evaluate the accuracy of 25% of Wisconsin hospital price estimator tools
 - Report quality metrics



Advancing Free Market Healthcare Coalition



Advancing Free Market Healthcare is an employer-led coalition advocating for change in Wisconsin's healthcare marketplace. We stand for policies that promote choice, competition, consumerism, accountability, high-value health care delivery and flexibility for employers to pursue the most affordable and quality health care alternatives on behalf of their Wisconsin employees and their families. This is our 2023-24 legislative agenda.

- 1. Advance Transparency and Build Upon It:** We urge the legislature to pass [Senate Bill 179](#) introduced by Senator Felkowski and others relating to hospital price transparency. While transparency on its own is not a silver bullet that will fix high health care prices, it is a prerequisite to other efforts, including employer efforts, to lower the healthcare cost burden for Wisconsin employees and their families. It is imperative that Wisconsin gives itself enforcement authority to ensure transparency moves forward in a way that is most beneficial to health care consumers who deserve information about prices.
- 2. Invest in the WHIO:** Provide financial resources and require payers to submit data to strengthen the [Wisconsin Health Information Organization](#) as a critical asset to promote transparency and free market healthcare. As Wisconsin's All-Payers Claim Database or APCD, WHIO collects, aggregates and deidentifies raw claims data from various purchasers, providing stakeholders with a resource that is vital to identifying cost and quality variations. This is the fundamental basis upon which free markets exist. Plus, WHIO is the only dataset that enables payers and providers to evaluate resource use by providers and episodes, a factor that is critical to measuring both quality and the total cost of care. Providers can use this data to improve their own care delivery. For more information about APCDs and their potential, visit this [website](#).

Several states such as [Indiana](#), [Georgia](#), [Utah](#) and [Texas](#) are currently investing significant state resources to support and promote APCDs. Wisconsin's APCD is a voluntary model, and thus lacks certain data. The legislature should advance legislation to fix this, and further consider adding paid amounts to WHIO which are currently missing, then utilize the data to support the work of a Health Care Cost Taskforce (see below).
- 3. Establish a Health Care Cost Taskforce to Understand Cost Drivers and Solutions:** The cost of healthcare, which has put many Wisconsin families in medical debt and is a deciding factor in attracting business to Wisconsin, is a critical economic issue that merits honest and evidence-based discussions and policy ideas. To achieve this, we urge the legislature to establish an apolitical task force to [objectively](#) evaluate the cost of healthcare in Wisconsin. If the task force determines that Wisconsin has higher costs compared to other states, the task force should work to identify the reasons behind high costs and recommend solutions to bring Wisconsin prices down to the national average. This would benefit consumers and employers paying for health care. Task force members should be limited to lawmakers and/or individuals who can objectively put the interests of consumers first, who are laser focused on lowering costs, and

Agenda for State Lawmakers

1. Advance and Build Upon Transparency
2. Invest in WHIO
3. Create Health Care Cost Taskforce
4. Health System Merger and Antitrust Review
5. "Accountability" for Medicaid Reimbursement Increases
6. Physician Non-Compete Reform
7. Ban Anticompetitive Terms Between Payers & Providers
8. Prohibiting Certain Facility Fees
9. Ensure Employer Access to Their Data
10. Increase Drug Pricing Transparency

Turquoise Report Shows High Completeness



On average, WI hospitals receive 4.7 out of 5 stars.

We found some issues with their scoring, and reached out to hospitals with a score of 3 stars or less.

Lesson learned: Check the work of your vendors!

Searched For	Date Last Ingested	Hospital Published	Calculated MRF Transparency Score	Turquoise Transparency Score	MRF Is CDM Only	MRF Contains Negotiated Rates	MRF Contains Cash Rates	MRF Contains List Rates	MRF Contains Inpatient Rates	MRF Contains Outpatient Rates	MRF Contains Drug Rates	MRF Distinct Payers	Contains Negotiated Rates For OP	Contains Negotiated Rates For OP	Contains Negotiated Rates For Drugs	Contains Negotiated Rates For MSDRGs	Contains Negotiated Rates for IP
2023-12-0	2023-12-06	TRUE	TRUE	1	FALSE	TRUE	TRUE	TRUE	FALSE	FALSE	FALSE	23	FALSE	FALSE	FALSE	FALSE	FALSE
2023-11-2	2023-11-27	TRUE	TRUE	2	TRUE	FALSE	FALSE	FALSE	TRUE	TRUE	TRUE	0	FALSE	FALSE	FALSE	FALSE	FALSE
2023-11-2	2023-11-27	TRUE	TRUE	2	TRUE	FALSE	FALSE	FALSE	TRUE	TRUE	TRUE	0	FALSE	FALSE	FALSE	FALSE	FALSE
2023-11-2	2023-11-27	TRUE	TRUE	2	TRUE	FALSE	FALSE	FALSE	TRUE	TRUE	TRUE	0	FALSE	FALSE	FALSE	FALSE	FALSE
2023-11-2	2023-11-27	TRUE	TRUE	2	TRUE	FALSE	FALSE	TRUE	TRUE	FALSE	FALSE	0	FALSE	FALSE	FALSE	FALSE	FALSE
2023-11-2	2023-11-28	TRUE	TRUE	2	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	10	FALSE	FALSE	FALSE	TRUE	TRUE
2023-11-2	2023-11-28	TRUE	TRUE	2	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	10	FALSE	FALSE	FALSE	TRUE	TRUE
2023-12-1	2023-12-15	TRUE	TRUE	2	FALSE	TRUE	TRUE	TRUE	TRUE	TRUE	FALSE	16	FALSE	FALSE	FALSE	TRUE	FALSE

PRA Releases Another Report ...

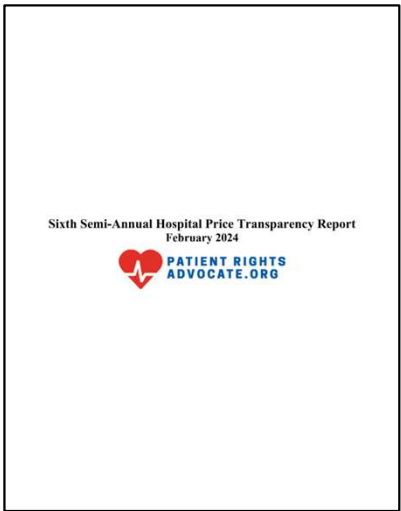


Table 1: Hospital Compliance

Report Date	Hospitals Reviewed	Compliant Hospitals	Percentage Compliant
Feb. 2024	2,000	689	34.5%
July 2023	2,000	721	36.0%
Feb. 2023	2,000	489	24.5%
Aug. 2022	2,000	319	16.0%
Feb. 2022	1,000	143	14.3%
July 2021	500	28	5.6%

**Appendix D
Semi-Annual Hospital Price Transparency Compliance Report Evaluation Data
Compliance by State**

State	Compliant	Noncompliant	Total	% Compliant
Washington DC	3	1	4	75%
Nevada	13	5	18	72%
Mississippi	15	7	22	68%
Kentucky	23	11	34	68%
Utah	16	8	24	67%
North Carolina	29	16	45	64%
Nebraska	12	7	19	63%
North Dakota	10	8	18	56%
Indiana	28	23	51	55%
Colorado	16	16	32	50%
Delaware	1	1	2	50%
Tennessee	30	30	60	50%
Louisiana	20	21	41	49%
New Jersey	13	16	29	45%
Arkansas	14	18	32	44%
New Mexico	6	8	14	43%
Florida	61	89	150	41%
Wisconsin	17	25	42	40%
Maine	2	3	5	40%
Iowa	17	26	43	40%
Illinois	29	45	74	39%
Texas	84	141	225	37%
Connecticut	4	7	11	36%
Washington	10	19	29	34%
Arizona	15	30	45	33%
California	53	111	164	32%
Minnesota	12	28	40	30%
New York	30	71	101	30%
Kansas	7	17	24	29%
Idaho	2	5	7	29%
Virginia	12	35	47	26%
Rhode Island	1	3	4	25%
Wyoming	1	3	4	25%
Michigan	13	42	55	24%
Missouri	10	36	46	22%
Oregon	4	15	19	21%
Alabama	6	24	30	20%
Pennsylvania	18	72	90	20%
Georgia	8	36	44	18%
Oklahoma	7	34	41	17%
Alaska	1	5	6	17%
Maryland	1	5	6	17%
Massachusetts	5	26	31	16%
New Hampshire	1	8	9	11%
West Virginia	1	9	10	10%
Ohio	7	72	79	9%
South Carolina	1	23	24	4%
Hawaii	0	8	8	0%
Montana	0	6	6	0%
Vermont	0	3	3	0%
South Dakota	0	33	33	0%

Feb. 2024 PatientRightsAdvocate.org Hospital Price Transparency Compliance Report Page 24 of 24

PAYERS

Foo Fighters to expose 'the pretenders' in price transparency concert

By Noah Tong · Feb 22, 2024 3:45pm

Price Transparency

advocacy groups

costs



The Foo Fighters are performing in March to raise awareness price transparency efforts. (Getty Images/Mumemories)

Fans of healthcare price transparency and Grammy Award-winning bands should have their calendars marked for March 5 in Washington, D.C.

The Foo Fighters will be performing a private, one-night concert, put on by nonprofit healthcare transparency advocate Power to the Patients. Lawmakers and government officials will be in attendance as the group raises awareness of hospitals and insurance companies' pricing system that often leaves patients in the dark about the true costs of items and services.

"When we were asked by Power to the Patients to help raise awareness of the need for transparency in healthcare pricing, we immediately said yes," the band said in a statement. "People suffering from illness and injury shouldn't have to worry about being bankrupted by surprise charges for their treatment."

... And Hosts A Private Concert





Federal Price Transparency



**Calling-Out False Narratives
February/March 2024**

Healthcare Financial Management Association calls Patient Rights Advocate's latest price transparency compliance report 'irresponsible'

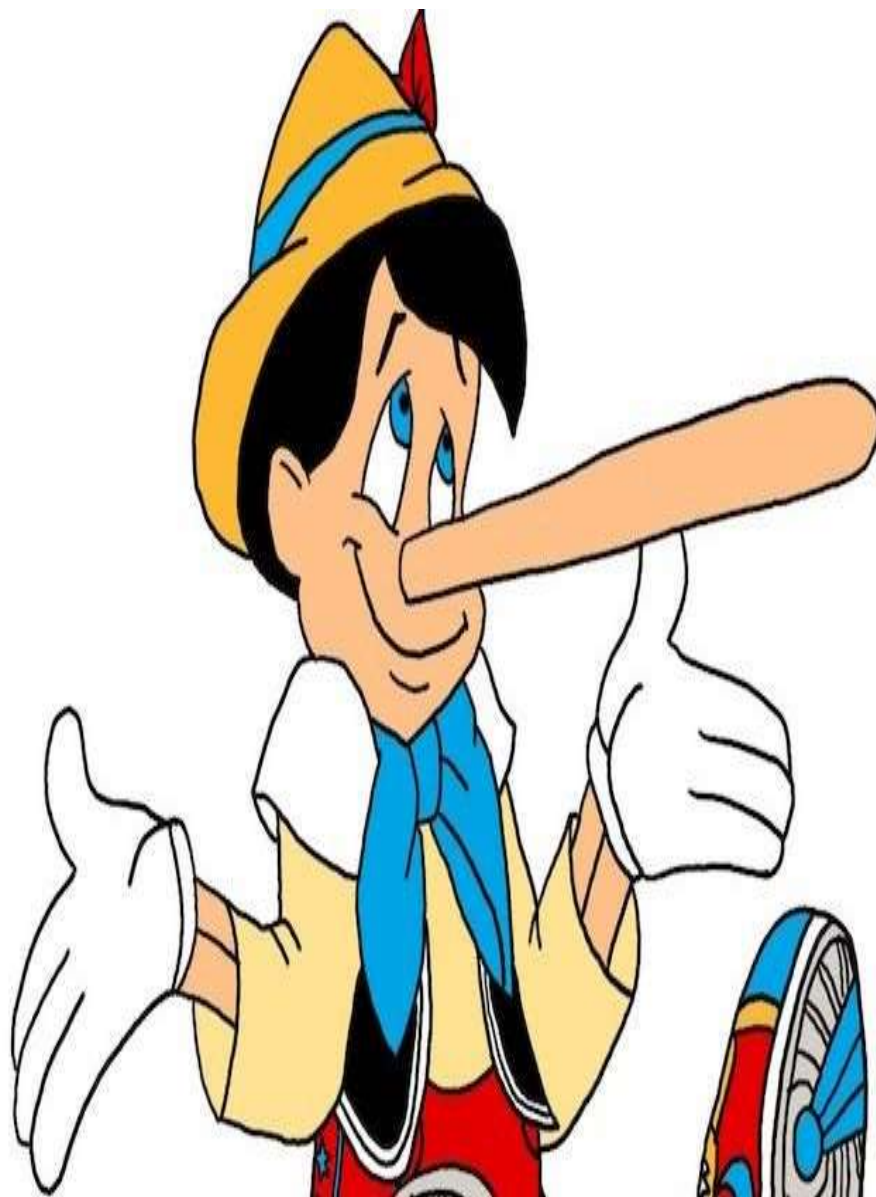
Points of Contention:

- PRA continues to release reports and scorecards that are an irresponsible mix of misleading, incomplete and incorrect.
- The latest PRA report asserts that only 34.5% of the 2,000 hospitals it reviewed are compliant with the federal price transparency regulations implemented in January 2021. PRA's results contradict the Centers for Medicare & Medicaid Services (CMS) scorecard, which last scored compliance at 70% of hospitals.
- PRA does not demonstrate an understanding of the definition of machine-readable files, leading to additional confusion and misinterpretation of federal requirements. "A machine-readable file is designed to be easily processed and interpreted without the need for human intervention, while PRA seemingly thinks these files should have 'human-readable access.'



Key Points of Contention With Regard to the PRA Report, Continued...

- PRA disregards CMS's mandated price estimator tool, saying it fundamentally undermines the intent of the regulations, assuming a goal of price transparency is to have one price for every service or procedure.
- PRA is accusing many noncompliant hospitals of not including all their standard charge files related to accepted insurance plans. However, PRA assumes that when a hospital negotiates rates with a payer it secures negotiated rates with all plans and products under that umbrella. This is incorrect and leads to PRA's overstatement of noncompliance. This is reckless as it may misrepresent hospital compliance and unfairly impact a provider's reputation and the patient's comfort in seeking care.
- PRA penalizes hospitals for not including plan-specific names in machine-readable files (MRFs). Many providers currently include plan-specific contracted rates within the payer-specific data fields. Plan specific data fields will be a requirement July 1, 2024.



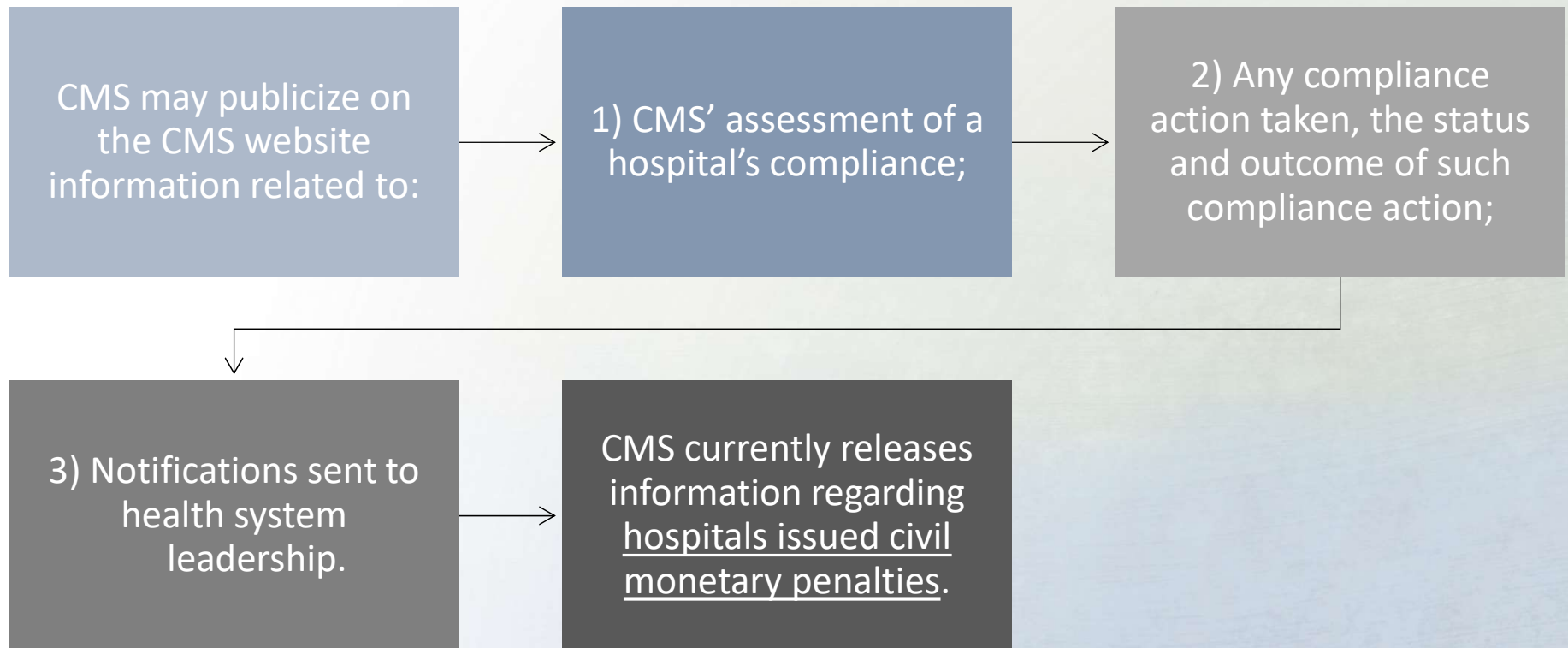


Federal Price Transparency



July 1, 2024 / Jan. 1, 2025

CMS Transparency Website Information Reminder



CMS Price Transparency Public Use File (PUF) March 4th

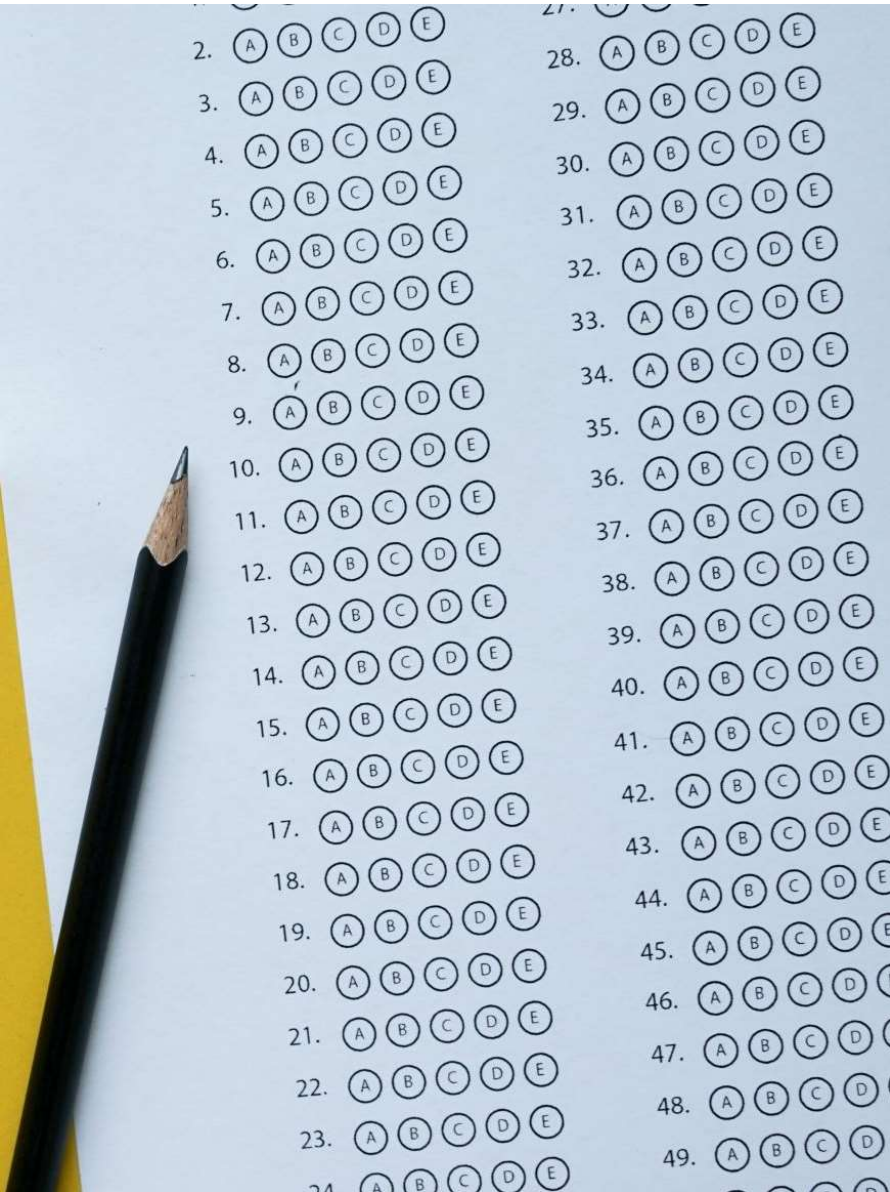
<https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/hospital-price-transparency-enforcement-activities-and-outcomes>

Hospital Location Name	Hospital ID number assigned by HPT initiative	Hospital or Hospital Location Street Address	Hospital City	Hospital State Territory	Action taken by CMS Following A HPT Compliance Review	Date of Action	Count of Actions
Hospital Name 1	11	Facility Address	Minneapolis	MN	Warning Notice	12/20/22	1
Hospital Name 1	11	Facility Address	Minneapolis	MN	CAP Request	4/13/23	2
Hospital Name 1	11	Facility Address	Minneapolis	MN	Closure Notice	4/27/23	3
Hospital Name 2	18	Facility Address	Phoenix	AZ	Warning Notice	4/14/23	1
Hospital Name 2	18	Facility Address	Phoenix	AZ	Closure Notice	8/1/23	2
Hospital Name 3	21	Facility Address	Glendale	AZ	Warning Notice	5/2/23	1
Hospital Name 3	21	Facility Address	Glendale	AZ	Closure Notice	8/21/23	2
Hospital Name 4	17	Facility Address	Phoenix	AZ	Met Requirements	3/7/23	1
Hospital Name 5	7599	Facility Address	Mesa	AZ	Warning Notice	8/25/21	1
Hospital Name 5	7599	Facility Address	Mesa	AZ	Closure Notice	2/23/22	2
Hospital Name 6	33	Facility Address	Phoenix	AZ	Warning Notice	4/14/23	1
Hospital Name 6	33	Facility Address	Phoenix	AZ	Closure Notice	8/3/23	2
Hospital Name 7	7600	Facility Address	Surprise	AZ	Warning Notice	8/25/21	1
Hospital Name 7	7600	Facility Address	Surprise	AZ	CAP Request	5/4/22	2
Hospital Name 7	7600	Facility Address	Surprise	AZ	Closure Notice	5/12/23	3
Hospital Name 8	38	Facility Address	Goodyear	AZ	Warning Notice	4/27/23	1
Hospital Name 8	38	Facility Address	Goodyear	AZ	Closure Notice	8/16/23	2
Hospital Name 9	40	Facility Address	Church Point	LA	Warning Notice	12/20/22	1
Hospital Name 9	40	Facility Address	Church Point	LA	CAP Request	4/18/23	2
Hospital Name 9	40	Facility Address	Church Point	LA	Closure Notice	7/17/23	3
Hospital Name 10	94	Facility Address	Greenfield	IA	Met Requirements	12/7/23	1

MRF File Compliance

[GitHub - CMSgov/hospital-price-transparency](#)

Requirement	Regulation cite*	Compliance Date
MRF Date	45 CFR § 180.50 (b)(2)(i)(B)	July 1, 2024
CMS Template Version	45 CFR § 180.50 (b)(2)(i)(B)	July 1, 2024
Affirmation Statement	45 CFR § 180.50 (a)(3)(ii)	July 1, 2024



Hospital Affirmation Statement

Final Rule: Page 1385
– Required July 1, 2024

“To the best of its knowledge and belief, this hospital has included all applicable standard charge information in accordance with the requirements of 45 CFR 180.50, and the information encoded in the machine-readable file is true, accurate, and complete as of the date indicated in this file”

MRF Hospital Information

[GitHub - CMSgov/hospital-price-transparency](https://github.com/CMSgov/hospital-price-transparency)

Requirement	Regulation cite*	Compliance Date
Hospital Name	45 CFR § 180.50 (b)(2)(i)(A)	July 1, 2024
Hospital Location(s)	45 CFR § 180.50 (b)(2)(i)(A)	July 1, 2024
Hospital Address(es)	45 CFR § 180.50 (b)(2)(i)(A)	July 1, 2024
Hospital Licensure Information	45 CFR § 180.50 (b)(2)(i)(A)	July 1, 2024

MRF Standard Charges

[GitHub - CMSgov/hospital-price-transparency](https://github.com/CMSgov/hospital-price-transparency)

Requirement	Regulation cite*	Compliance Date
Gross Charge	45 CFR § 180.50 (b)(2)(ii)	July 1, 2024
Discounted Cash Price	45 CFR § 180.50 (b)(2)(ii)	July 1, 2024
Payer Name	45 CFR § 180.50 (b)(2)(ii)(A)	July 1, 2024
Plan Name	45 CFR § 180.50 (b)(2)(ii)(A)	July 1, 2024
Standard Charge Method	45 CFR § 180.50 (b)(2)(ii)(B)	July 1, 2024
Payer-Specific Negotiated Charge - Dollar Amount	45 CFR § 180.50 (b)(2)(ii)(C)	July 1, 2024
Payer-Specific Negotiated Charge - Percentage	45 CFR § 180.50 (b)(2)(ii)(C)	July 1, 2024
Payer-Specific Negotiated Charge - Algorithm	45 CFR § 180.50 (b)(2)(ii)(C)	July 1, 2024

MRF Standard Charges

Requirement	Regulation cite*	Compliance Date
Estimated Allowed Amount	45 CFR § 180.50 (b)(2)(ii)(C)	January 1, 2025
Additional Generic Notes	45 CFR § 180.50 (b)(2)(ii)(C)	July 1, 2024
Additional Payer-Specific Notes	45 CFR § 180.50 (b)(2)(ii)(C)	July 1, 2024
De-identified Minimum Negotiated Charge	45 CFR § 180.50 (b)(2)(ii)	July 1, 2024
De-identified Maximum Negotiated Charge	45 CFR § 180.50 (b)(2)(ii)	July 1, 2024

[GitHub - CMSgov/hospital-price-transparency](https://github.com/CMSgov/hospital-price-transparency)

Estimated Allowed Amount

The average dollar amount that the hospital has historically received from a third-party payer for an item or service. The estimated allowed amount is therefore not prospective and is also not based on the hospital's chargemaster or claims submitted to the payer which, as we understand it, contains only gross charges for itemized items and services and agree that using information from the 835 transaction, the ERA that provides claim payment information, including any adjustments made to the claim, such as denials, reductions, or increases in payment, would appear to meet this requirement as the data in the 835 form is used by hospitals to track and analyze their claims and reimbursement patterns.

MRF Item & Service Information

[GitHub - CMSgov/hospital-price-transparency](https://github.com/CMSgov/hospital-price-transparency)

Requirement	Regulation cite*	Compliance Date
General Description	45 CFR § 180.50 (b)(2)(iii)(A)	July 1, 2024
Setting	45 CFR § 180.50 (b)(2)(iii)(B)	July 1, 2024
Drug Unit of Measurement	45 CFR § 180.50 (b)(2)(iii)(C)	January 1, 2025
Drug Type of Measurement	45 CFR § 180.50 (b)(2)(iii)(C)	January 1, 2025

MRF Coding Information

[GitHub - CMSgov/hospital-price-transparency](https://github.com/CMSgov/hospital-price-transparency)

Requirement	Regulation cite*	Compliance Date
Billing/Accounting Code	45 CFR § 180.50 (b)(2)(iv)(A)	July 1, 2024
Code Type	45 CFR § 180.50 (b)(2)(iv)(B)	July 1, 2024
Modifiers	45 CFR § 180.50 (b)(2)(iv)(C)	January 1, 2025

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