

## **NOTICE**

### **DECEMBER 31, 2013 - Provider Price Transparency Implementation Notice**

Section 103 of Chapter 224 of the Acts of 2012 adds Section 228 to Chapter 111 of the Massachusetts General Laws, which requires health care providers to disclose the allowed amount or charge of an admission, service or procedure to a patient or prospective patient (“patient”) at his or her request.

#### Price Transparency Requirements per Statute:

##### **Who has to comply with the price transparency statute?**

The law requires “health care providers” to make price information available to patients and prospective patients. “Health care providers” include hospitals, nursing homes, clinics, individual health care providers as defined at G.L. c. 111, § 1.

##### **What information does the health care provider have to provide?**

The health care provider must provide a patient the allowed amount or charge of an admission, procedure or service, including the amount for any associated facility fees. The allowed amount is the contractually agreed upon amount that a patient’s carrier will pay to that health care provider for the health care services which may be provided to an insured.

##### **When must the health care provider provide the information?**

The requirements of the statute go into effect on January 1, 2014. The health care provider must provide the information within two working days of a patient’s request.

##### **What if the exact allowed amount or charge is unknown?**

If a health care provider is unable to quote a specific amount in advance due to the health care provider's inability to predict the specific treatment or diagnostic code, the health care provider shall disclose the estimated maximum allowed amount or charge for a proposed admission, procedure or service, including the amount for any associated facility fees.

EOHHS is aware that many facilities and health care providers are taking active steps to implement systems that comply with the law. EOHHS encourages facilities and health care providers to develop high-functioning, consumer-friendly systems capable of providing accurate, meaningful information to patients.

We expect health care providers to comply with the following principles:

- The health care provider shall provide price information to patients upon request regardless of insurance status or insurance type;
- If additional information is needed in order to provide price information, the Department expects the health care provider to assist patients in obtaining any necessary additional information;
- The health care provider shall make reasonable efforts to ensure that the information is provided within the required two-day window. If the patient requests additional information or provides relevant details that were previously unknown to the health care provider after the initial request, the health care provider should provide the information as close to the original deadline as possible;
- The health care provider shall make clear to patients the range of factors that could affect the final price of an admission, procedure or service, including but not limited to the possibility of changes or additions to the original planned procedure(s); billings from affiliated providers (e.g., anesthesiology, pathology or radiology) or follow-up care (e.g., the possibility of rehabilitation services following an orthopedic surgery);
- The health care provider shall ensure that any written information that it provides is in plain language that is easily interpreted and understood by patients without specialized knowledge of the health care system;
- The health care provider shall ensure that its system is fully able to provide information to patients who are visually impaired or otherwise unable to access information through a website or telephone, and to those patients who do not speak English as a first language;
- For patients who are not enrolled in Medicare or Medicaid, a health care provider may assist a patient or prospective patient in using a health plan's toll-free number and website for information about the estimated or maximum amount the insured will be responsible to pay for a proposed admission, procedure or service. However, for patients who are covered by a health plan, network providers shall, when requested, provide information to the patient regarding the proposed admission, procedure or service to allow them to use the carrier's toll-free telephone number and website which provides out of pocket costs to patients.