

IMPROVING HOSPITAL PRICE TRANSPARENCY IN MISSOURI

February 27, 2023



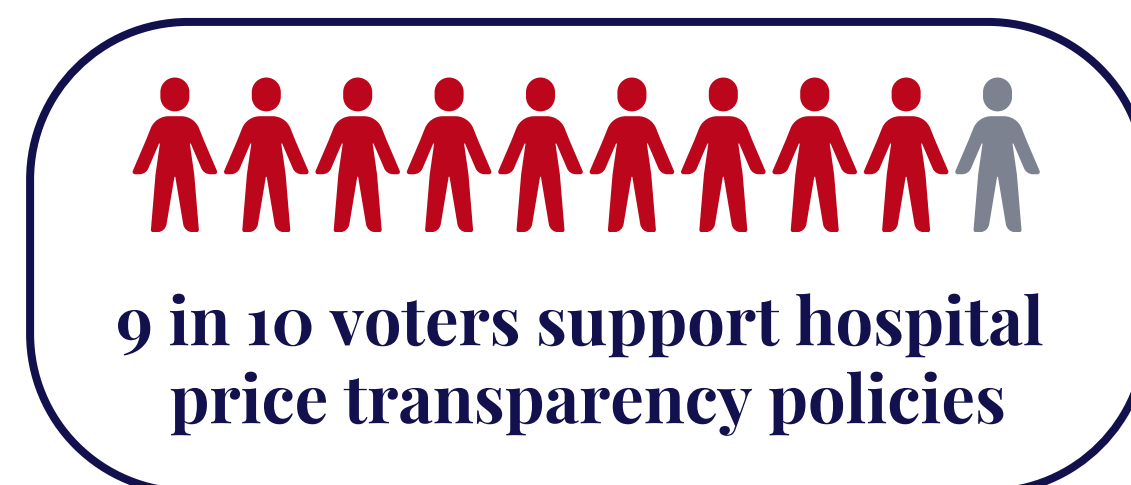
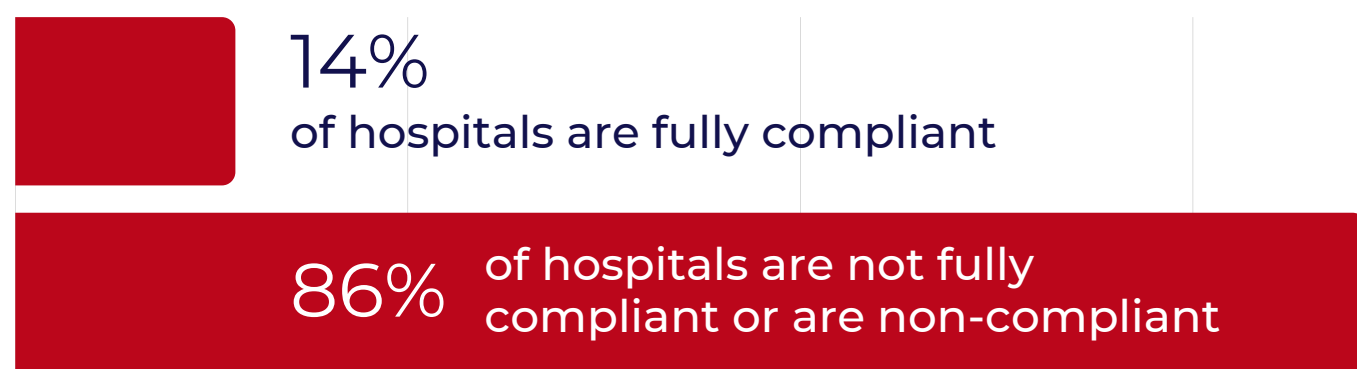
**BOTTOM
LINE**

ONLY 14% OF HOSPITALS IN MISSOURI ARE COMPLIANT WITH FEDERAL HOSPITAL PRICE TRANSPARENCY REQUIREMENTS. STATE ACTION CAN HELP PATIENTS SAVE MONEY.

NEXT STEPS TO IMPROVE COMPLIANCE IN MISSOURI

- State policies can encourage greater compliance with federal requirements, giving patients more control over their care and wallets.
- The Department of Health and Human Services finalized a rule in November 2019 that requires hospitals to publish prices. As of January 2021, hospitals are required to publish a machine-readable file of five types of standard charges for all items and services. They are also required to create a consumer-friendly, shoppable list of 300 items and services, including 70 identified by the Centers for Medicare and Medicaid Services (CMS).
- Full compliance with the federal rule, as defined by CMS, remains low nationwide and in Missouri. A Patient Rights Advocate report from February 2023 estimates that about one quarter of hospitals nationwide are fully compliant.
- Codifying the federal rule and coupling it with additional monetary penalties are strategies that will help increase compliance. Preventing non-compliant hospitals from pursuing debt collection against patients is another way to safeguard patients and incentivize compliance. Examples of these policies can be found in Texas's SB 1137 (2021) and Colorado's HB 1285 (2022).

COMPLIANT HOSPITALS IN MISSOURI



Source: Fourth Semi-Annual Hospital Price Transparency Report, February 2023, Patient Rights Advocate.

WHY THIS MATTERS

Prices for healthcare services can vary greatly by location. According to data from Turquoise Health, the cash price for a routine colonoscopy is \$241.25 at Saint Luke's Hospital of Kansas City, while the cash price two hours away at University of Missouri Health Care in Columbia is \$635.20. In St. Louis, which is roughly two and a half hours east of Columbia, the cash price at Barnes-Jewish (Washington University) Hospital in St. Louis is \$2,243.82. This means **a patient could potentially save themselves hundreds or thousands of dollars** by driving to a different location for a procedure.

THE POLICIES IN HB 1161 WOULD PUT MISSOURIANS IN CHARGE OF THEIR CARE

- The policies in HB 1161, sponsored by Representative Aaron McMullen, add a private right of action and consumer protection terms that will deter non-compliant hospitals from pursuing debt collection against patients. As a result, a patient may sue a hospital if the hospital is not posting prices and not complying with the price transparency rule, and the hospital initiates a collection action against the patient for an unpaid hospital bill (beyond the initial action of sending a patient a bill for services).
- Hospital price transparency is popular. **Texas's SB 1137 law passed in both chambers unanimously in 2021, and Colorado's HB 1285 passed the Senate unanimously in 2022.**

SEE THE FULL TEXT OF THE HOSPITAL PRICE TRANSPARENCY ACT AT: bit.ly/ALECpricetransparency

SEE THE SUMMARY AT: bit.ly/AFPIpricetransparency