

IMPROVING HOSPITAL PRICE TRANSPARENCY IN OHIO

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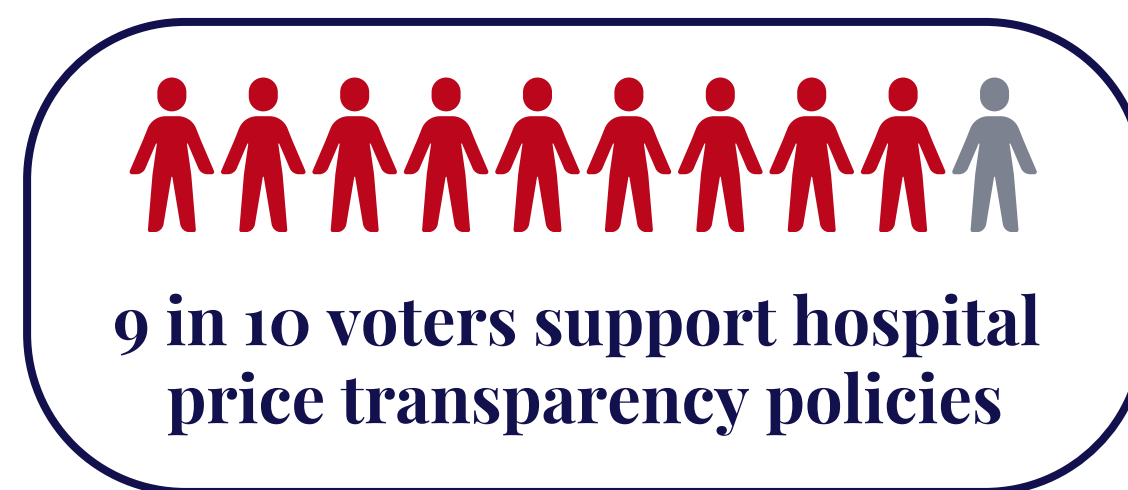
**BOTTOM
LINE**

FEWER THAN 1 IN 5 OHIO HOSPITALS ARE COMPLIANT WITH FEDERAL HOSPITAL PRICE TRANSPARENCY REQUIREMENTS. STATE ACTION CAN HELP PATIENTS SAVE MONEY.

NEXT STEPS TO IMPROVE COMPLIANCE IN OHIO

- 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 Ohio. 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 OHIO



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 \$1,674.40 at Cleveland Clinic Hospital in Cleveland, while Akron General Medical Center, 40 miles away, charges a cash price of \$409.50.

The cash price for the same procedure at Grant Medical Center in Columbus is \$3,192.80, while the cash price at Ohio Valley Medical Center in Springfield, less than 50 miles away, is \$751.75.

This means **a patient could potentially save themselves more than one thousand dollars** by driving to a different location for a procedure.

THE POLICIES IN HB 49 WOULD PUT OHIOANS IN CHARGE OF THEIR CARE

- The policies in HB 49, sponsored by Representatives Ron Ferguson and Tim Barhorst, codify and strengthen federal price transparency list requirements and empower the Director of Health to monitor hospital compliance, request corrective action, and assess penalties. They also add consumer protection terms that prohibit non-compliant hospitals from pursuing debt collection against patients. If a hospital is found to be non-compliant with price transparency requirements by the Director of Health after a patient submits a complaint, the hospital must: 1) stop debt collection activities, 2) ensure the debt is removed from the patient's credit report, and 3) pay the patient a penalty twice the amount of the debt.
- 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