

## **State Hospital Price Transparency Law Checklist**

Effective since Sept. 1, 2021, [Senate Bill 1137](#)<sup>1</sup> requires all Texas hospitals licensed under chapter 241, Health & Safety Code, to post on the internet detailed hospital pricing data and to [email](#) the Texas Health & Human Services Commission the links to that data at least annually and every time it is updated.<sup>2</sup> Failing to adhere to this law subjects hospitals to significant administrative penalties. Hospitals are encouraged to review [HHSC's Health Facility Compliance Guidance Letter](#) for official enforcement guidance and to sign up for [GovDelivery](#) to keep current on state laws and regulations. This document is meant to be a resource to Texas hospitals to assist with compliance.

### **Hospital Checklist**

Under SB 1137, Texas hospitals must:

1. Develop a list of **all facility items or services** for which the facility has established a charge. The list must include for all items and services:
  - a. Gross charges (the traditional charge description master);
  - b. De-identified minimum negotiated rates;
  - c. De-identified maximum negotiated rates;
  - d. Discounted cash prices; and
  - e. Negotiated rates for each and every payor.
2. Publish a consumer-friendly list of standard charges for each of at least 300 shoppable services or maintain an internet-based price estimator tool.
  - a. The Centers for Medicare & Medicaid Services requires [70 specific services](#) (the hospital must list each of the 70 services it provides).
  - b. The hospital selects the remaining 230 measures based on the most frequent services provided.
  - c. The hospital must indicate whether the service was selected by CMS or the hospital.
  - d. Each shoppable service must include a plain-language description, de-identified maximum and minimum negotiated rates, negotiated rates for all payors, and the cash price (if the hospital does not have a cash price, then the gross charge must be listed).
3. For hospitals electing to use an internet-based price estimator in lieu of posting at least 300 shoppable services, include in the internet-based price estimator tool all the information required for the 300 shoppable services.
4. Prominently display a list or dedicated link to a list of all standard charges for hospital items and services on the **home page of the hospital's website** (entire list and 300 shoppable services or price estimator).
  - a. **All pricing information must be available to the public without having to submit any personal identifying information.**
  - b. Pricing information must be accessible through a prominent link on the hospital's home page or through a single digital file on the hospital's home page.
  - c. The information must always be available to the public free of charge.

<sup>1</sup> Sen. Lois Kolkhorst (R-Brenham) and Rep. Tom Oliverson (R-Cypress) were the authors of SB 1137.

<sup>2</sup> Chapter 327, Health & Safety Code, <https://statutes.capitol.texas.gov/Docs/HS/htm/HS.327.htm>.

- d. Hospitals may not require a user account, password or other barrier to enter the list, such as entering a code.
  - e. If the hospital has multiple locations and maintains a single website for all locations, the hospital must post the pricing information for each location.
5. Ensure each list maintained on the hospital's website:
- a. Lists the billing or accounting codes for each item or service it is required to disclose (HCPCS, CPT, DRG, NDC, or other common identifier) and includes a description of the service.
  - b. Indicates whether the item or service is provided in the inpatient or outpatient setting.
  - c. Includes the pricing information for each physical location of the hospital, regardless of how the hospital is licensed);
  - d. Is updated at least annually and includes the most recent revision date;
  - e. Is accessible to a common internet search engine;
  - f. Is formatted in a manner prescribed by HHSC, which is the same format required by [the federal hospital price transparency rule](#);
  - g. Is digitally searchable; and
  - h. Uses the following naming convention specified by CMS: “<ein>\_<facility-name>\_standardcharges.[json|xml|csv].”
6. Adhere to detailed reporting requirements to HHSC.
- a. Hospitals must email the links to the list of all standard charges and the 300 shoppable services (or price estimator tool) **at least annually and every time the hospital updates the lists**.
  - b. The email address is [Hospital\\_Price\\_Transparency@hhs.texas.gov](mailto:Hospital_Price_Transparency@hhs.texas.gov).

### Enforcement

HHSC monitors compliance through evaluating complaints, reviewing analysis, auditing websites and confirming that hospitals have emailed required pricing lists. Communications from HHSC should describe expectations from hospitals and deadlines before penalties are assessed. When HHSC determines that a hospital is noncompliant, HHSC will issue a Statement of Deficiency (SOD) and Require a Plan of Correction (POC). In addition to any information required by HHSC, hospitals must include in a POC their total gross revenue for the year preceding the date of the deficiency. Hospitals that fail to respond to the request to submit a POC or do not adhere to the POC are subject to an administrative penalty that varies based on gross revenue:

- \$10 for each day the hospital violated this chapter, if the hospital's total gross revenue is less than \$10,000,000;
- \$100 for each day the hospital violated this chapter, if the hospital's total gross revenue is \$10,000,000 or more and less than \$100,000,000; and
- \$1,000 for each day the hospital violated this chapter, if the hospital's total gross revenue is \$100,000,000 or more.