

HOSPITAL PRICE TRANSPARENCY

Hospital Chargemaster

FEBRUARY 2019

As of Jan. 1, 2019, hospitals are required to publish their standard charges in an online, machine-readable format. Commonly referred to as hospital chargemasters, these lists provide standard charges for all items and services provided by a hospital, including procedures, medications, and supplies. While the publication of charges is intended to promote transparency, in reality, what a hospital is paid for a service is generally less than the standard charge. The actual hospital payment is dependent upon negotiations between the hospital and the insurer and the design of the patient's health plan, which typically requires the patient to share the cost of the hospital payment.

