# Hospital Price Transparency Posting Evaluation Report

Date 3/15/23



**COLORADO** Department of Health Care Policy & Financing

# I. Key Findings

From Oct. 17, 2022 through Nov. 9, 2022, the Colorado Department of Health Care Policy & Financing (HCPF) reviewed 83 of Colorado's general and critical access Colorado hospitals' downloadable files and shoppable service estimator tools or displays.<sup>1</sup> Each was evaluated using a scorecard that was marked "Y" if it meets federal criteria or "N" if it does not meet federal criteria.<sup>2</sup> HCPF has developed a Good, Fair, Poor rating that measures the quality of adherence to federal price transparency rules. As of Nov. 9, 2022:

- 26.5% of all Colorado hospitals and 31.1% of Colorado system hospitals have an overall quality rating of Good.
- Colorado hospitals that are currently affected by Prohibit Collection Hospital Not Disclosing Prices House Bill (HB22-1285) have a better overall quality rating of Good (33.3%), when compared to those that will not be affected by the bill until February 2023 - the state's critical access hospitals, currently at 15.6% compliance.<sup>3</sup>
- Low scores for hospitals are primarily due to not listing all their contracted payer network products (sometimes called "plans"). Insurance carriers may offer several different network products; the respective prices (or reimbursements) for all of their insurance carrier contracted networks are supposed to be posted by hospitals. At the time of our evaluation, independent critical access hospitals were particularly lacking transparency because the prices for all the unique insurance carrier network products were not available. Note that it is not common for an independent hospital, or hospital system to have the same contracted prices (reimbursements) with all health plans or all the various health plan network products. Therefore, when hospitals are not compliant with this aspect of the requirement (publishing prices by health plans and all their networks), the usability of the tool is greatly diminished.



<sup>&</sup>lt;sup>1</sup> The evaluation reflects what was currently available at the time of the review and HCPF is aware that hospitals may have updated their transparency postings after our review but during the review period.

<sup>&</sup>lt;sup>2</sup> Although there are 84 general and critical access hospitals, HCPF has excluded St. Elizabeth Hospital, formally known as Colorado Plains Medical Center. This hospital was recently acquired by Centura Health and does not have any price transparency postings.

<sup>&</sup>lt;sup>3</sup> Critical access hospitals became subject to the state legislation's requirements in February 2023.

- HCPF analysis and comparable studies on federal price transparency all show that there is an opportunity for hospitals to improve price transparency.<sup>4</sup>
- HCPF plans to review and publish an evaluation of hospitals' price transparency postings semi-annually.

#### II. Introduction

Hospital price transparency will contribute to a more open and competitive market, which will help drive down hospital prices paid by employers and consumer purchasers and ultimately the prices paid for health care coverage, given that hospital prices represent the largest component of overall health care costs. However, for this policy to be effective, hospitals must be compliant with the federal hospital price transparency rule.<sup>5</sup> Unfortunately, independent studies indicate Colorado hospitals do not meet all the requirements of the federal rule, as seen in **Table 1**.

Study Completed by	Hospital Count	CO Hospital Count	National Compliance	Colorado Compliance
Patient Rights Advocate <sup>6</sup>	1000	17	14%	6%
Turquoise Health <sup>7</sup>	6420 <sup>8</sup>	106	38%	35%

#### Table 1: Hospital Price Transparency Compliance by Study

On June 8, 2022, the state of Colorado signed into law HB22-1285, providing a greater incentive for hospital compliance with the federal rule. This bill went into effect on Aug. 10, 2022, while the compliance date for critical access hospitals is delayed until Feb. 15, 2023.<sup>9</sup> Specifically, the bill prohibits Colorado hospitals from collecting debt from consumers if the hospitals' postings were not in compliance with the federal hospital price transparency rule for the specific procedure performed on the day the patients' service was

<sup>7</sup> Turquoise Health Price Transparency Impact Report Q3 2022, <u>https://s3.us-west-</u>

<u>1.amazonaws.com/assets.turquoise.health/impact\_reports/TQ\_Price-Transparency-Impact-Report\_2022\_Q3.pdf</u> <sup>8</sup> Turquoise Health data is from Turquoise Hospital Data Impact Report - State Level spreadsheet and compliant hospitals are defined as hospitals who scored a 5.

<sup>&</sup>lt;sup>9</sup> State of Colorado House Bill 22-1285, <u>https://leg.colorado.gov/bills/hb22-1285</u>



<sup>&</sup>lt;sup>4</sup> Patient Rights Advocate Semi-Annual Hospital Price Transparency Compliance Report February 2022, <u>https://www.patientrightsadvocate.org/semi-annual-compliance-report-2022</u>

<sup>&</sup>lt;sup>5</sup> The Federal hospital Price Transparency Rule, <u>https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-</u> <u>E/part-180</u>

<sup>&</sup>lt;sup>6</sup> Patient Rights Advocate Semi-Annual Hospital Price Transparency Compliance Report February 2022, <u>https://www.patientrightsadvocate.org/semi-annual-compliance-report-2022</u>

provided . To be compliant with the federal rule, hospitals must post a machine-readable file containing a list of all standard charges for all items and services and a list of standard charges for a limited set of shoppable services in the form of a display or estimator tool.<sup>10,11</sup>

HCPF intends to research the postings of Colorado hospitals for compliance; however, HCPF does not currently have the authority to determine if hospitals are compliant or to issue financial penalties. The responsibility to evaluate postings for compliance and possibly issue penalties, of up to \$5,500 per day, belongs to the Centers for Medicare & Medicaid Services (CMS).<sup>12</sup> Therefore, HCPF does not currently determine if a hospital is deemed as compliant. For this reason, HCPF created a quality scale with three different ratings: Good, Fair, and Poor. This scale was created to determine the conformity of the hospital's price transparency postings.

HCPF's primary focus for the downloadable file was to evaluate if all of the required items were present. Additionally, HCPF focused on the availability of a shoppable services tool or display that allows consumers to obtain a service price when shopping for one of the 70 CMS-specified shoppable service codes.<sup>13</sup> Prices for third-party payers were not factored in the shoppable services criteria because 94% of Colorado hospitals utilize an estimator tool, which can require specific insurance information to receive a price or quote. The complete scorecard criteria and rating details are in **Appendix A: Methodology**.

<sup>&</sup>lt;sup>13</sup> 70 CMS-specified shoppable services code list, <u>https://www.cms.gov/files/document/steps-making-public-standard-charges-shoppable-services.pdf</u>



<sup>&</sup>lt;sup>10</sup> 45 CFR §180.50 machine-readable file requirements, <u>https://www.ecfr.gov/current/title-45/subtitle-</u> <u>A/subchapter-E/part-180/subpart-B/section-180.50</u>

<sup>&</sup>lt;sup>11</sup> 45 CFR §180.60 display or estimator tool requirements, <u>https://www.ecfr.gov/current/title-45/subtitle-</u> <u>A/subchapter-E/part-180/subpart-B/section-180.60</u>

<sup>&</sup>lt;sup>12</sup> 45 CFR §180.70 Monitoring and Penalties, <u>https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-E/part-180/subpart-C</u>

# III. Scorecards

## Table 2: Scorecard by Hospital Nov. 9, 2022

			Downloadable File Quality Rating	Shoppable Service Quality Rating	Overall Quality Rating	Machine Readable	Extract Date	ed or Updated Date		Description	Gross Charges	Discounted Cash	De-Identified Minimum	De-Identified Maximum	Negotiated Rates	Individual Plans	Display or Estimator Tool	Price
Marketed Name	System	Hospital type	° €	Į,	Ne l	ş	Data	Posted	Code	ğ	ğ	jis	-	-	e e	Ē	dsic	Cash
Animas Surgical Hospital		General	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Arkansas Valley Regional Medical Center		Critical Access	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Aspen Valley Hospital		Critical Access	Poor	Good	Poor	Y	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Display	Y
Banner Fort Collins Medical Center	Banner Health	General	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Boulder Community Health		General	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Broomfield Hospital	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Centura Avista Adventist Hospital	Centura Health AdventHealth	General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura Castle Rock Adventist Hospital	Centura Health AdventHealth	General	Good	Good	Good	Y	Y	Y	Ŷ	Y	Y	Y	Y	Y	Y	Ŷ	Tool	Y
Centura Littleton Adventist Hospital	Centura Health AdventHealth	General	Good	Good	Good	Ŷ	Y	Ý	Ŷ	Ŷ	Ŷ	Y	Y	Ŷ	Ŷ	Ŷ	Tool	Y
Centura Longmont United Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Ŷ	Ý	Ŷ	Ŷ	Y	Ŷ	Y	Ŷ	Ŷ	Y	Ý	Tool	Y
Centura Mercy Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Ŷ	Ý	Ŷ	Ŷ	Ŷ	Ŷ	Y	Ŷ	Ŷ	Ŷ	Ŷ	Tool	Y
Centura Parker Adventist Hospital	Centura Health AdventHealth	General	Good	Good	Good	Ý	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura Penrose-St. Francis Hospital	Centura Health CommonSpirit	General	Good		Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
•	Centura Health AdventHealth	General	Good	Good		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura Porter Adventist Hospital				Good	Good	· ·	Y	Y	Y	Y	Y	Y	Y	Y	Y			Y
Centura St. Anthony Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Y			<u> </u>		<u> </u>		<u> </u>	<u> </u>		Y	Tool	-
Centura St. Anthony North Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura St. Anthony Summit Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura St. Mary-Corwin Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura St. Thomas More Hospital	Centura Health CommonSpirit	Critical Access	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Children's Hospital Colorado	Childrens	Children	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Tool	Y
Children's Hospital Colorado Springs	Childrens	Children	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Tool	Y
Colorado Canyons Hospital and Medical Center		Critical Access	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	N	N	N	N	N	Tool	Y
Community Hospital		General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Delta Health		General	Poor	Good	Poor	Y	N	N	Y	Y	Y	Y	N	N	Y	N	Display	Y
Denver Health Medical Center		General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
East Morgan County Hospital	Banner Health	Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Estes Park Health		Critical Access	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Tool	Y
Good Samaritan Medical Center	Intermountain Healthcare	General	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Grand River Hospital District		Critical Access	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Tool	Y
Grandview Hospital	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Gunnison Valley Health		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Haxtun Hospital District		Critical Access	Poor	Good	Poor	Y	Ν	N	Y	Y	Y	N	Ν	N	N	N	Tool	Y
Hand of the Decision Decision with the state		Culture	<b>.</b>	<b>.</b>														
Heart of the Rockies Regional Medical Center		Critical Access			<u> </u>		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Keefe Memorial Health Service District		Critical Access	Poor	Good	Poor	N	N	N	Y	Y	Y	N	N	N	N	N	Tool	Y
Kit Carson County Health Service District		Critical Access	Poor	Good		Y	N	Y	Y	Y	Y	N	Y	Y	Y	N	Tool	Y
Lincoln Community Hospital		Critical Access	Good		Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Longs Peak Hospital	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Lutheran Medical Center	Intermountain Healthcare	General	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
McKee Medical Center	Banner Health	General	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Medical Center of the Rockies	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Melissa Memorial Hospital		Critical Access	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Memorial Hospital Central	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y



Marketed Name	System	Hospital type	Downloadable File Quality Rating	Shoppable Service Quality Rating	Overall Quality Rating	Machine Readable	Data Extract Date	Posted or Updated Date	Code	Description	Gross Charges	Discounted Cash	De-Identified Minimum	De-Identified Maximum	Negotiated Rates	Individual Plans	Display or Estimator Tool	Cash Price
Memorial Regional Health		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Middle Park Health Kremmling		Critical Access	Fair	Poor	Poor	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	N
Montrose Memorial Hospital		General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Mt. San Rafael Hospital		Critical Access	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y.
National Jewish Health		General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Display	Y.
North Colorado Medical Center	Banner Health	General	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y.
North Suburban Medical Center	HealthONE	General	Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Tool	Y.
OrthoColorado Hospital	Centura Health CommonSpirit	General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Pagosa Springs Medical Center		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y.
Parkview Medical Center		General	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Pikes Peak Regional Hospital	UCHealth	Critical Access	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Pioneers Medical Center		Critical Access	Good	Poor	Poor	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	N
Platte Valley Medical Center	Intermountain Healthcare	General	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Poudre Valley Hospital	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Presbyterian/St. Luke's Medical Center	HealthONE	General	Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Tool	Y
Prowers Medical Center		Critical Access	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Rangely District Hospital		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Rio Grande Hospital		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Rose Medical Center	HealthONE	General	Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	Ν	N	Y	Y	Tool	Y
San Luis Valley Health Conejos County Hospital	San Luis Valley	Critical Access	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
San Luis Valley Health Regional Medical Center	San Luis Valley	General	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Sedgwick County Health Center		Critical Access	Poor	Good	Poor	N	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Display	Y
Sky Ridge Medical Center	HealthONE	General	Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Tool	Y
Southeast Colorado Hospital District		Critical Access	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Southwest Health System, Inc.		Critical Access	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Spanish Peaks Regional Health Center		Critical Access	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
St. Joseph Hospital	Intermountain Healthcare	General	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
St. Mary's Hospital & Medical Center, Inc.	Intermountain Healthcare	General	Fair	Good	Fair	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
St. Vincent General Hospital District		Critical Access	Poor	Good	Poor	Y	N	N	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Sterling Regional MedCenter	Banner Health	General	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Swedish Medical Center	HealthONE	General	Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Tool	Y.
The Medical Center of Aurora	HealthONE	General	Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Tool	Y
UCHealth Greeley	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y.
UCHealth Highlands Ranch	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
University of Colorado Hospital	UCHealth	General	Fair	Good		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Vail Health Hospital		General	Poor	Good	Poor	Y	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Valley View Hospital		General	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Tool	Y
Weisbrod Memorial County Hospital		Critical Access	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Wray Community District Hospital		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Display	Y
Yampa Valley Medical Center	UCHealth	General	Fair	Good	Fair	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Tool	Y
Yuma District Hospital		Critical Access	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y



## Table 3: Scorecard by System Nov. 9, 2022

System	Downloadable File Quality Rating	Shoppable Service Quality Rating	Overall Quality Rating	Machine Readable	Data Extract Date	Posted or Updated Date	Code	Description	Gross Charges	Discounted Cash	De-Identified Minimum	De-Identified Maximum	Negotiated Rates	Individual Plans	Display or Estimator Tool	Cash Price
Banner Health	Fair	Good	Fair	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Centura Health AdventHealth	Good	Good	Good	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Tool	Y
Combury Hardth, Commune Calult	Good	Good	Good	Y	Y	Y	Y	Υ	Y	Y	Y	Y	Y	Y	Tool	Y
Centura Health CommonSpirit															<b>T</b> 1	
Centura Health Commonspirit Childrens	Poor	Good	Poor	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Tool	Y
		Good Good	Poor Poor	Y N	Y Y	Y Y	Y Y	Y Y	Y Y	Y Y	Y N	Y N	N Y	N Y	Tool	Y Y
Childrens	Poor						•	•			•					-
Childrens HealthONE	Poor Poor	Good	Poor	N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Tool	Y



# IV. Evaluation

As seen in **Figure 1**, only 26.5% of Colorado hospitals had an overall quality rating of Good and 26.5% had an overall quality rating of Poor. Furthermore, in **Table 4**, only 14.3% of independent critical access hospitals had an overall quality rating of Good and 39.3% had a rating of Poor. When comparing general hospitals, including Children's Hospital, to critical access hospitals, general/Children's had a 33.3% overall quality rating compared to critical access 15.6%. This indicates that ratings for independent critical access hospitals need to significantly improve now that HB22-1285 is in effect for these hospitals as of Feb. 15, 2023.







Hospital Type	Good	Fair	Poor	Total
General/Children's	33.3%	45.1%	21.6%	100%
Critical Access	15.6%	50.0%	34.4%	100%
System	31.1%	51.1%	17.8%	100%
Independent General	40.0%	30.0%	30.0%	100%
Independent Critical Access	14.3%	46.4%	39.3%	100%
Total	26.5 %	47.0 %	26.5 %	100%

Table 4: Overall Quality Rating by Hospital Type Nov. 9, 2022

HCPF was limited in testing hospitals' public shoppable services tools or displays because of their designs and data display limitations. To check functionality, HCPF searched for several of the CMS-required shoppable service codes for the hospital's cash price, including those that were listed with a discounted cash price on the hospital's downloadable file. In Colorado, 97.6% of hospitals met the shoppable services tool or display requirement, so the overall quality rating is primarily a reflection of the downloadable file.<sup>14</sup>

Table 5 displays which downloadable file categories are driving the quality for system, independent general, and independent critical access hospitals. As seen in the last line of the table, specific individual payer plans were the highest individual requirement omitted by all hospitals, with only 63.9% of all hospitals and less than half of independent critical access hospitals meeting this requirement. Note that this is perhaps the most valuable aspect of the tool. Furthermore, at least 15% fewer independent critical access hospitals, when compared to independent general hospitals, failed to meet the requirements for three of the downloadable file categories, with the specific individual payer plans category having the largest difference of 33.6%. While all hospitals should be compliant with federal price transparency rule, the Prohibit Collection Hospital Not Disclosing Prices House Bill (HB22-1285) to increase hospitals compliance did not apply to critical access hospitals when this data was accessed and will continue being evaluated. With this information, it is clear that hospitals need to either update their downloadable files to

<sup>&</sup>lt;sup>14</sup> Only two hospitals rated Poor for their shoppable service estimator tool or display. One estimator tool required an account to be created to receive a cash estimate. The other estimator tool would state it is unable to process and to call in for a price.



include specific individual payer plans or indicate if negotiated rates for specific third-party payers apply to all their individual contracted payer plans and products.

Note that it is not common for a hospital to have the same contracted prices (reimbursements) with all health plans nor for all health plan products. Therefore, when hospitals are not compliant with this aspect of the requirement (publishing prices by health plan or product), the usability of the tool is greatly diminished. This fact underscores the importance of advancing and evolving compliance penalties associated with Colorado's Price Transparency policy while encouraging CMS to increase its compliance efforts and penalty application.

Downloadable File Category	All Hospitals	System	System Independent General (			
Machine Readable	72.3%	75.6%	80.0%	64.3%		
Data Extract Date	80.7%	84.4%	80.0%	75.0%		
Posted or Updated Date	91.6%	100.0%	80.0%	82.1%		
Code	100.0%	100.0%	100.0%	100.0%		
Description	100.0%	100.0%	100.0%	100.0%		
Gross Charges	100.0%	100.0%	100.0%	100.0%		
Discounted Cash	94.0%	100.0%	90.0%	85.7%		
De-Identified Minimum	88.0%	86.7%	90.0%	89.3%		
De-Identified Maximum	88.0%	86.7%	90.0%	89.3%		
Negotiated Rates	91.6%	95.6%	100.0%	82.1%		
Individual Plans	63.9%	71.1%	80.0%	46.4%		

Table 5: Downloadable File Criteria Met by Category by Hospital Type Nov. 9, 2022

Although the federal price transparency rule has been effective since January 2021, the overall quality of hospital price transparency in Colorado still has opportunity. As of Nov. 9, 2022, HCPF found **73.5% of Colorado hospitals fail to meet all the requirements of the rule.** HCPF plans to collaborate with Colorado hospitals and encourages them to utilize the resources on CMS's Hospital Price Transparency website to help improve their price transparency postings to an adequate level.<sup>15</sup> In the absence of progress through

<sup>&</sup>lt;sup>15</sup> CMS Hospital Price Transparency Website, <u>https://www.cms.gov/hospital-price-transparency</u>



collaboration, the state will need to implement more effective compliance penalties to achieve the intent of the law.

# V. Appendix A: Methodology

The rating methodology is composed of two elements: the downloadable file review and the shoppable service review.

#### A. Downloadable File Review

Only hospitals are aware if they disclosed all requirements in their price transparency postings. For example, it is difficult to determine what a blank cell means and how many specific third-party payers or individual payer plans a hospital should list. For this evaluation, HCPF required for each category to be present with data in the downloadable file, not for each item or service.

#### 1. Scorecard

"Y" meets and "N" does not meet the defined requirements:

- Machine Readable Must be in a machine-readable format (e.g., XML, .JSON, .CSV) and contain only one master table.
- Data Extract Date Data within the file must be within 365 days from the day of the review. If a separate extract date is not listed, the posted or updated date was used.
- Posted or Updated Date The file must have been posted or updated within 365 days from the day of the review.
- Code A specific code must be listed for items or services.
- Description A description must be listed for items or services.
- Gross Charges A gross charge must be listed for items or services.



- Discounted Cash List a discounted cash price for multiple codes.
- De-Identified Minimum De-identified minimum category for items and services and must be present for several codes.
- De-Identified Maximum De-identified maximum category for items and services and must be present for several codes.
- Negotiated Rates Must have at least one third party payer listed with negotiated rates for multiple items or services.
- Individual Plans Must have at least one individual plan for a third-party payer listed with negotiated rates for multiple items or services.
- 2. Quality Rating
  - Good "Y" in all categories.
  - Fair "Y" in Posted or Updated Date Within 365, Code, Description, Gross Charge, Discounted Cash, De-Identified Minimum, De-Identified Maximum, and Negotiated Rates, but has at least one "N" in any other category.
  - Poor Does not meet Good or Fair requirements.

# B. Shoppable Service Review

HCPF was limited in testing hospitals' estimator tools because of the tools' designs. Several estimator tools required specific insurance information to generate a noncash price or quote. To check functionality, HCPF searched for several of the CMS-required shoppable service codes for each hospital's cash price, including those that were listed with a discounted cash price on the hospital's downloadable file. If a hospital utilizes two separate estimator tools, the tool HCPF reviewed for the scorecard was the one located under the hospital's price transparency webpage and was labeled in some form as "Estimate," "Quote," etc. In addition, since 94% of



Colorado hospitals utilize an estimator tool, HCPF decided the criteria for tools and displays would be the same.

#### 1. Scorecard

"Y" meets and "N" does not meet the defined requirement:

• Cash Price - Obtained a self-pay cash price or quote for multiple codes from the 70 CMS-specified shoppable services codes.

## 2. Quality Rating

- Good "Y" for Cash Price.
- Poor "N" for Cash Price.

## C. Overall Quality Rating

Determined by quality ratings of the downloadable file and the shoppable service tool or display

- Good Quality rating of Good in both the downloadable file and the shoppable service tool or display.
- Fair Has at least one quality rating of Fair and cannot have any quality ratings of Poor.
- Poor At least one quality rating of Poor in either.

## D. By System Ratings

Networks follow the same criteria as individual hospitals, but hospitals within the network are factored together. Therefore, the lowest grade or rating is applied for the entire network. Examples are: if only one hospital within a network has an "N" for a specific category, the category is marked "N" for the network; if one hospital within a network has a Poor-quality rating, the network has a Poor rating.

