

## **H.R. 4450: Hospital Price Disclosure and Litigation Practice Act of 2005**

The legislation accomplishes two things:

1. Price disclosure for the uninsured
2. Lawsuit protection for the hospitals and ambulatory surgical center

### **Price Disclosure**

Before elective treatment, the hospital and ambulatory surgical center must provide a comparison to the uninsured:

1. An estimate price for the treatment
2. The reimbursement rate to the hospital from the managed care company with the most enrollees (most favored nation – Daughters of Charity discount).
3. The reimbursement rate from Medicare.

After surgery, the hospital and ambulatory surgical center must provide:

1. An itemized list of actual charges
2. The reimbursement rate to the hospital from managed care company with the most enrollees (most favored nation – Daughters of Charity discount).
3. The reimbursement rate from Medicare.

Hospital and ambulatory surgical center submits to CMS semiannually

1. List of 25 most frequently performed inpatient procedures and the frequency it was performed
2. List of 25 most frequently performed outpatient procedures and the frequency it was performed
3. List of 50 most prescribed drugs in inpatient setting and the frequency they were prescribed.
4. For this publication schedule, hospital must include in its report to CMS: (a) the average charge to the uninsured, (b) the reimbursement rate from the managed care company, and (c) the Medicare reimbursement rate.

### **Hospital Protection**

Hospitals and ambulatory surgical center cannot be sued if:

1. They provide this information.
2. The uninsured agrees to pay a certain price for services by signing a written agreement with the hospital.

**Examples of Price Gouging**

<b><u>Victims Name</u></b>	<b><u>Hospital Name</u></b>	<b><u>Billed Charges</u></b>	<b><u>Medicare</u></b>
Myrna E.	Catholic Healthcare West	\$20,296.50	\$3,994
Sergio P.	Catholic Healthcare West	\$15,897.00	\$3,839
Rigoberto G.	Holy Cross Hospital	\$25,115.00	\$6,032
Carlos C.	Our Lady of Resurrection	\$74,395.63	\$6,121

Three Congressional Committees are investigating hospitals:

1. Energy and Commerce
2. Ways and Means
3. Finance