NEW JERSEY ASCs "STANDARD CHARGES" - POSTING REQUIREMENTS

Question: Can you please clarify if New Jersey ambulatory surgery centers (ASCs) need to post standard charges on their website?

Answer: Yes, according to the requirements set forth in New Jersey state law N.J.S.A. 26:2SS-4(b), (c), ASCs are required to establish, update, and make publicly available a list of the facility's standard charges for items and services provided by the facility. This disclosure must be made available through the facility's website. The following specific information should be included on the website:

- 1. The health benefits plans in which the facility is a participating provider;
- 2. A statement concerning certain physician services provided in the facility;
- 3. The name, mailing address, and telephone number of the physician groups that the facility has contracted with to provide services including, but not limited to, anesthesiology, pathology, or radiology; and
- 4. The name, mailing address, and telephone number of physicians employed by the facility and whose services may be provided at the facility, and the health benefits plans in which they participate.

If the facility does not have a website, it should maintain the same information in a format readily available for patients' and caregivers' review. Furthermore, it is imperative that these standard charges be posted in compliance with applicable federal guidelines. Although there are no specific federal guidelines pertaining exclusively to ASCs' standard charges, pertinent insights can be derived from the federal regulations regarding hospital price transparency. According to federal regulations set forth at 45 CFR § 180.20, the term 'standard charge' denotes "the regular rate established by a hospital for an item or service provided to a specific group of paying patients." This includes the following:

- (1) Gross charge;
- (2) Payer-specific negotiated charge, including charges negotiated by third party payer managed care plans such as Medicare Advantage plans, Medicaid MCOs, and other Medicaid managed care plans;
- (3) De-identified minimum negotiated charge;
- (4) De-identified maximum negotiated charge; and
- (5) Discounted cash price.

Although the above federal guidelines technically only apply to hospitals, they provide useful insight on the meaning and scope of the term 'standard charges' in the context of New Jersey law. As such, New Jersey ASCs may rely on the federal definition of 'standard charge' in implementing the requirements set forth in New Jersey law. In its <u>FAQs</u> pertaining to the <u>Hospital Transparency Act</u>, CMS provides some useful examples on how facilities may display their standard charges. ASCs can follow the following format in publishing their standard charges on their website to comply with New Jersey law.

Example: A facility negotiates the following payer-specific charges with three payers for an individual item or service, for example, an imaging test identified by billing code '12345.'