

# Health Care Price Transparency Law (AS 18.23.400)

## FAQs

### What is the Purpose of AS 18.23.400, commonly called the Health Care Price Transparency Law?

According to the sponsor of the legislation, the purpose of the Alaska Health Care Price Transparency Law, AS 18.23.400, and accompanying regulation in Title 7, Chapter 86 of the Alaska Administrative Code, is to empower consumers to make informed decisions about their health care options by ensuring accessible medical pricing information.

### What does the Law require of health care providers?

Health care providers and facilities must disclose and report health care services, prices, and fee information. Facilities, providers, and health insurance organizations must provide good faith estimates for specific health care services to Alaskans upon request. The Alaska Department of Health (DOH) will accept and publish price information provided by health care facilities and health care providers.

### Which health care providers must report fee information to the DOH?

Any health care provider or health care facility who uses the American Medical Association's Current Procedural Terminology (CPT) codes must post procedure prices and provide the postings to the DOH. Health care professionals who only provide durable health care equipment are not subject to these rules.

### What needs to be submitted to the Department of Health?

A health care provider or facility must compile a list of the ten health care services most commonly performed by the provider or facility during the last calendar year within each of six sections of the Current Procedural Terminology, Category I. This means up to 60 services performed will be listed. These are the sections:

1. Codes for evaluation and management
2. Codes for anesthesia
3. Codes for surgery
4. Codes for radiology
5. Codes for pathology and laboratory
6. Codes for medicine

Health care providers and facilities must also provide the undiscounted price and any facility fees for each procedure.

### What must health care providers post at their practices or facilities?

The collected list must be posted in the provider's office and their website, if they have one.

For each service posted, the provider will note the following information:

1. A brief description of the procedure in plain language that an individual with no medical training can understand.
2. The CPT code.
3. The undiscounted price of the service. "Undiscounted price" is defined in AS 18.23.400(n)(1).
4. Any facility fees, along with an explanation of these fees.

The posts must:

- Use a minimum 20-point font size.

**Here is an example of 20-point Calibri.**

- Use a font that is clear and easily read.

- Include the following web address for the Alaska Department of Health website posting the prices
  - <https://health.alaska.gov/dph/VitalStats/Pages/transparency.aspx>
- Include a statement explaining that the undiscounted prices for health care services described in this list may be higher or lower than the amount an individual will pay.
- Include a statement like the following: “You will be provided with an estimate of anticipated charges for our nonemergency care upon request. Please do not hesitate to ask for information.”
- List any preferred health care insurers (as defined in AS 21.54.500) contracted with the health care facility or provider. The facility or provider shall list any company they are contracted with as an in-network provider.
- Include the American Medical Association's copyright notice and disclaimer, using the following language: **“CPT® Copyright 2020 [or insert applicable year]. American Medical Association. All rights reserved. CPT is a registered trademark of the American Medical Association. The CPT codes are provided ‘as is’ without warranty of any kind. The AMA specifically disclaims all liability for use or accuracy of any CPT codes.”**
- Not include any personal identifying information (PII).
- Be posted in a conspicuous space where the public checks in and waits to see a provider, like the public reception area. Facilities with satellite offices should also post health care procedures if the office contains a patient check in and waiting room.
- Post the applicable health care services price list printed on paper or an electronic screen. Examples of posting media might include a framed poster on the wall, an electronic screen such as a tablet or computer monitor available in the office for viewing, or a three-ring binder that is obvious and accessible.
- Post the procedure list on their website. A facility or provider’s social media site does not fulfill this requirement. If a provider or facility does not have a website, they still must submit their procedure list to DOH.

#### What is the deadline for submittal and posting at the provider’s location?

A health care provider or facility must post lists of the previous calendar year’s services by January 31 of each year. The posting must remain for a year until the following year’s posting cycle is complete. For example, if calendar year 2020 data is posted January 31, 2021, the posting will remain until January 31, 2022, when calendar year 2021 data is posted.

Any change in prices or fees that occur mid-year does not require a provider or facility to update their current posting of the previous year’s prices. Those changes can be incorporated into the end-of-year determination of top procedures and then posted the following January 31.

Submittals must be provided to DOH by January 31 of each year. DOH will archive past submissions before posting new versions.

#### What is “plain language”?

In 7 AAC 86.090(a), plain language is defined as grammatically correct language that includes accurate word usage and communicates in a way that helps the public to easily understand the information. Plain language translations may not be consistent for a given CPT code from practice to practice. DOH will take this into consideration when addressing complaints stemming from any inconsistencies. DOH does not require use of AMA plain language CPT translations.

#### What if a healthcare provider does not have 10 services in each of the 6 CPT categories?

A provider or facility with less than ten services under any of the Category I sections still must provide the above information for the services that were provided. For example, if a facility only performed six procedures related to anesthesia (Section 2), all six procedures would be compiled for the postings and submittals.

#### Do providers in group facilities each need to submit a list of fees?

Health care facilities containing multiple group practices, or departments, will need to aggregate across all facility operations the top ten procedures within each of the six CPT categories and then report. Group practices that work within a facility, such as anesthesiologists or hospitalists, will be part of the facility’s aggregated calculation of all facility

services. Services from different departments within a health facility and from health facilities with satellite offices will also be considered as part of a facility's aggregated overall services. Facility postings and submittals described below will reflect the aggregated price list.

#### What about telemedicine providers?

Facilities and providers operating from a site within Alaska to treat a patient at a site within Alaska must comply with applicable portions of AS 18.23.400. This includes telemedicine providers. Telemedicine providers still must rank their CPT codes, collect price information, post pricing lists on their website, and provide the data to DOH as outlined in this statute and regulation.

#### How should price lists be submitted to the DOH?

Health care providers and facilities will submit the URL of their website health service price postings to DOH. For providers and facilities without a website, the postings shall be submitted in one of the following formats:

- portable document format (PDF)
- word processing (DOC, DOCX, ODT)
- presentation (PPT, PPTX, ODP)
- spreadsheet (XLS, XLSX, ODS)
- e-book (EPUB)
- text (TXT, CSV) or
- rich text format (RTF)

Facilities and providers will send an email of their attached price posting to [DHSSpricereporting@alaska.gov](mailto:DHSSpricereporting@alaska.gov).

In accordance with 7 AAC 86.010(d), emails and attachments should be titled with the following convention: *[Provider Name]\_[Provider address]\_[Year].[Format]*. No apostrophes, double quotes, or special characters allowed other than underscore (\_), hyphen (-) and space ( ). For example, an email and PDF heading from Bartlett Regional Hospital should be formatted as "Bartlett\_3620 Hospital Dr Juneau\_2019.pdf".

A template submittal document for facilities and providers to use is included in Appendix A. Use of the template is optional.

#### What is a good faith estimate?

Health care providers and facilities must provide to patients, upon request, an estimate of reasonably anticipated charges for treating a patient's specific condition. A good faith estimate is specific to the patient's treatment needs and insurance status, and not a repeat of the undiscounted price or price listed on an annual price list posted and reported in compliance with the law. This requirement only applies to non-emergency situations. If a good faith estimate is provided to a person who is not yet a patient of the provider, any fees associated with onboarding them as a new patient are not required to be included in the estimate.

An estimate might be for a single service, a whole course of treatment, or for a single service within a course of treatment. If the estimate is for a single service within a course of treatment, the estimate must include a statement explaining how the estimate only includes charges for a portion of the anticipated treatment.

The provider or facility may also provide a range of service prices. A reasonable range can be given if the expected service provided to the patient may vary significantly due to conditions the provider or facility cannot reasonably anticipate. If, for example, pain treatment during chemotherapy may hinge on whether the tumor metastasizes or enters remission, a reasonable good faith estimate should provide a price for both scenarios.

### What are the requirements for providing a good faith estimate?

If requested by a patient, a good faith estimate must be provided before nonemergency health care services are rendered and no later than ten days after the request was received. The estimate can be provided orally, in writing, or by electronic means depending on the preference of the requestor. An orally provided estimate must be recorded by the health care provider and health care facility.

### What information must be provided by the patient in order to provide a good faith estimate?

To receive a good faith estimate, a patient should provide the health care provider or health care facility the following in writing:

- The patient's full name
- The medical condition or service for which the patient is seeking medical treatment
- The method by which the patient prefers to receive the estimate, including in a written letter mailed to the patient, by electronic means, or orally
- The patient's contact information including:
  - Mailing address
  - Email address
  - Phone number

### What information must be provided by a guardian or parent of a minor patient requesting a good faith estimate?

The parent or guardian of a minor patient must request a good faith estimate in writing and provide the following information:

- The patient's full name
- The medical condition or service for which the patient is seeking medical treatment
- The method by which the parent or guardian prefers to receive the estimate, including in a written letter mailed to the patient, by electronic means, or orally
- The parent or guardian's contact information including:
  - Mailing address
  - Email address
  - Phone number

A patient name and contact information allow the provider or facility to reply to the patient if the estimate needs to be changed.

### Why should providers log good faith estimate requests?

If DOH receives a complaint that a good faith estimate was not provided, patient name and contact information allows staff to check the log of the facility to see if an estimate was given or not. Emailed and written quotes will presumably already have contact information and names.

### What should a good faith estimate include?

Any good faith estimate, or range of estimates must include the following:

- A description of the procedures, in plain language that an individual with no medical training can understand.
- A procedure code for each service.
  - For good faith estimates, the procedure codes may be CPT codes or other applicable codes as well.
- Any facility fees and an explanation of those fees.
- Information for any service, product, procedure, or supply in connection with the estimate's services.
- The name of any person who may charge the patient for any services, products, procedures, or supplies, and

- An explanation of whether these charges are included in the estimate.
- The in-network or out-of-network status of the provider or facility may have with any insurers. The facility or provider can provide a note like the following:
  - “[NAME OF PROVIDER OR FACILITY] is a contracted, in-network preferred provider for ONLY the following plan networks: [list each network or state, ‘None. You may incur out-of-network charges.’]”
  - “[NAME OF PROVIDER OR FACILITY] is a contracted, in-network preferred provider for our insurance plan.”; or
  - “[NAME OF PROVIDER OR FACILITY] is NOT a contracted, in-network preferred provider for your insurance plan. You may incur out-of-network charges.”

The provider, facility, or insurer will provide the estimate in the patient’s preferred method of contact described above.

[Is a provider liable if the estimate provided is different than the actual charges to the patient?](#)

Any health care provider, facility or insurer who provides a good faith estimate is not liable for damages or other relief if the estimate differs from the amount actually charged to the patient.

[How long are price estimates maintained by the DOH?](#)

Health care price data reported under this program are considered public information subject to public records retention laws. Price postings will be posted on DOH website and backed up in DOH electronic records for five years.

#### Select Definitions

- a) **Current Procedure Terminology** – Code maintained and published by the American Medical Association to describe medical, surgical, and diagnostic services.
- b) **Current Procedure Terminology Category I Sections** - Evaluation and management, anesthesiology, surgery, radiology, pathology and laboratory, and medicine.
- c) **Emergency Departments** – Subsection of health care facility responsible for the provision of medical and surgical care to patients arriving at the hospital in need of immediate care.
- d) **Minor patient** -- A patient under the age of 18, unless an emancipated minor under AS 09.55.590
- e) **Telemedicine** -- The practice of health care delivery, evaluation, diagnosis, consultation, or treatment using the transfer of medical data through audio, video, or data communications that are engaged in over two or more locations between providers who are physically separated from the patient or from each other

#### Legal authority

AS 18.23.400

## Appendix A – Example Price Submittal Sheet

### Evaluation and Management

Rank	CPT Code	Procedure Description	Undiscounted Price	Facility Fees	Facility Fee Explanation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

### Anesthesia

Rank	CPT Code	Procedure Description	Undiscounted Price	Facility Fees	Facility Fee Explanation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

### Surgery

Rank	CPT Code	Procedure Description	Undiscounted Price	Facility Fees	Facility Fee Explanation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

### Radiology

Rank	CPT Code	Procedure Description	Undiscounted Price	Facility Fees	Facility Fee Explanation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

### Pathology and Laboratory

Rank	CPT Code	Procedure Description	Undiscounted Price	Facility Fees	Facility Fee Explanation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

### Medicine

Rank	CPT Code	Procedure Description	Undiscounted Price	Facility Fees	Facility Fee Explanation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

You can review costs at the Alaska Department of Health, Health Care Cost Transparency website at <https://health.alaska.gov/dph/VitalStats/Pages/transparency.aspx>.

You will be provided with an estimate of the anticipated charges for your nonemergency care upon request. Please do not hesitate to ask for information

Undiscounted prices for health care services described in this list may be higher or lower than the amount an individual will actually pay.