Hospital Charges—
What Are We Talking About?

You may have heard that as of January 1, 2019, hospitals have price information online. Here is important information to help you understand what you are looking at.

About the "Chargemaster"

- A chargemaster is a list of medical codes and prices for everything a hospital provides to patients.
- Each hospital has its own chargemaster list that is used for billing purposes.
- The chargemaster list is not the negotiated price between hospitals and insurers, and it not the price that most patients would pay for care.
- The chargemaster list is not the best tool for patients to figure out the cost of their health care services.
- Most people would not know all the medical codes that would be used for their care before they receive treatment.
- The prices on the chargemaster list are not the actual payment rates that hospitals receive. And chargemaster prices are almost never the actual amount a patient is responsible for.

How Much Will I Pay?

The best way to understand what you will pay out-of-pocket is to work with your hospital and your insurer. In general:

- Individuals with insurance will pay any copayments, coinsurance, or deductible due.
- Individuals without insurance might be eligible for financial assistance or charity care, or may be able to receive a reduced price from the hospital.

Important Terms:

Charge—The most a hospital can bill a patient's insurer.

Price—Total amount a health care provider expects to be paid by the insurer and the patient. The price will differ depending on if a patient has insurance or is eligible for financial assistance.

Cost—To a patient, cost is the amount paid out-of-pocket. This may include the deductible, copayment, coinsurance, and amounts that may not be covered by the insurance policy.

Getting Help from Your Hospital:

Hospitals offer financial counseling and help for people who have insurance and those who do not. Contact your hospital's financial office or patient advocates for help.