

# *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 is 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.**