



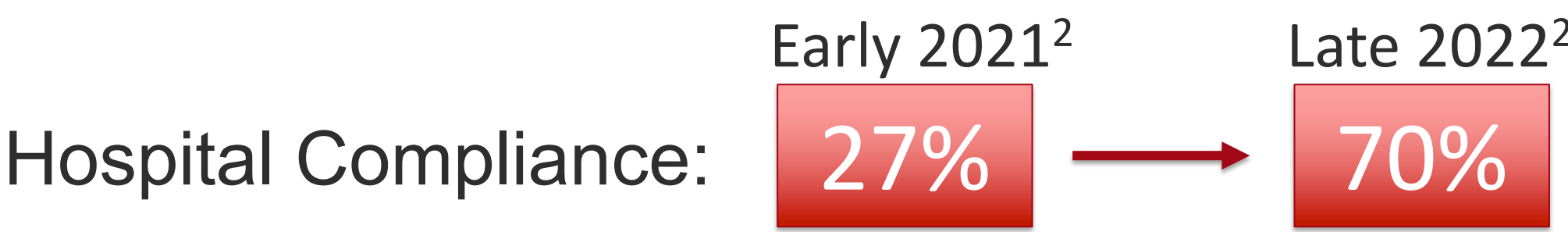
CMS’s Hospital Price Transparency Regulation Analysis Demonstrates Increasing Compliance for Breast Reconstruction-Related Procedures

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Background

In an attempt to encourage cost-conscious “shopping” of healthcare services, the Centers for Medicare and Medicaid Services (CMS) introduced the Hospital Price Transparency Rule effective January 1, 2021, mandating hospitals publish standard charges for all items and services.¹



Plastic surgery-related procedures are often elective, thus benefiting from transparent pricing. A 2022 study found that the most commonly reported plastic surgery pricing data were for adjacent tissue transfers (32.4% of hospitals).³ We sought to investigate the **current price transparency landscape** of breast reconstruction procedures.

Methods

The 50 largest US hospitals were selected from Becker’s Hospital Review.⁴ Pricing information for 6 breast reconstruction-related procedures was compiled from hospital website standard charges files.

Results

Two years after the CMS ruling, **96%** of hospitals provided standard charges. **Breast reduction** was most commonly reported (n = 26, 52%; range \$49.82 – \$38,915.00) and deep inferior epigastric artery (DIEP) or superficial inferior epigastric artery (SIEP) flap (HCPCS S2068) was least commonly reported (n = 4, 8%; range \$0.00 – 8,319.50). On average, procedures investigated were reported by 35% of hospitals. Every procedure demonstrated **large standard deviations**.

Standard Charge By Procedure

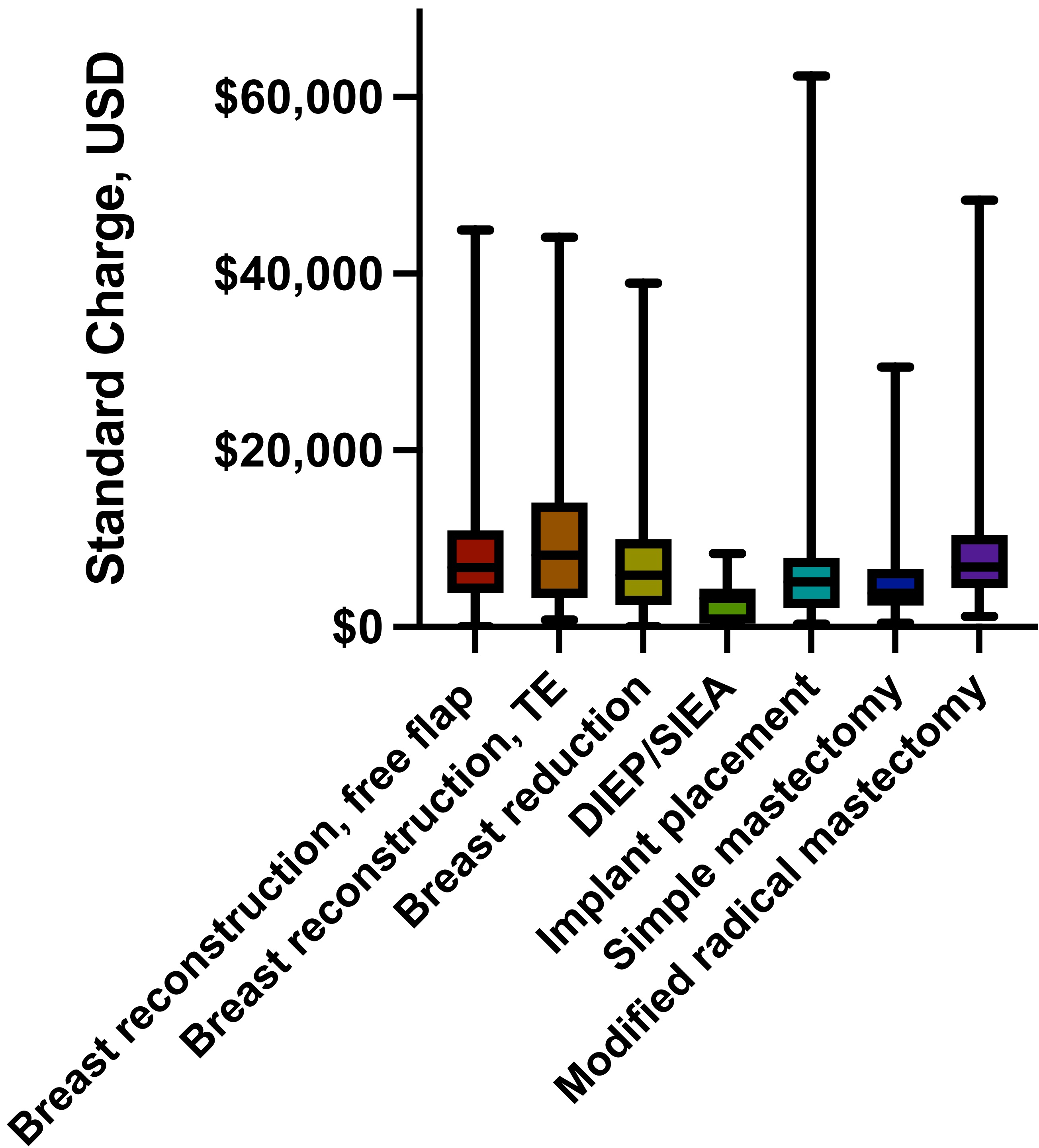


Figure 1: Box and whisker plot of all payer-negotiated and discounted cash standard charges for common breast reconstruction procedures demonstrates wide variability within most procedures. Boxes extend from 25th to 75th percentile, horizontal line indicates median, and whiskers indicate minimum to maximum values.

Procedure	CPT/HCPCS	Number of Hospitals Reporting n (%)	Payer-negotiated price, Mean (SD)	Discounted cash price, Mean (SD)
Breast reconstruction with free flap	19364	15 (30%)	\$8,467.62 (7,912)	\$5,349.24 (3,859)
Breast reconstruction with tissue expander	19357	20 (40%)	\$10,206.24 (8,521)	\$10,346.49 (12,526)
Breast reduction	19318	26 (52%)	\$7,261.22 (10,043)	\$10,043.12 (10,027)
DIEP/SIEA	S2068	4 (8%)	\$3,127.42 (3,076)	\$2,980.50 (2,136)
Implant placement	19342	23 (46%)	\$5,799.69 (4,140)	\$11,100.87 (17,091)
Simple mastectomy	19303	16 (32%)	\$5,144.94 (4,027)	\$6,031.36 (8,447)
Modified radical mastectomy	19307	18 (36%)	\$8,103.45 (5,461)	\$13,421.50 (14,421)

Table 1: Number of hospitals reporting select breast reconstruction procedures with mean payer-negotiated and discounted cash prices from standard charge files.

Conclusion

We demonstrate reportage of breast reconstruction-related hospital charges has **increased since 2022**.

However, previously reported issues remain: file ambiguity, cumbersome file sizes, and **unclear ultimate patient cost responsibility**.⁵ Further, charges were not intuitively correlated with procedural complexity.

Plastic surgeons must work with hospitals in managing elective procedure costs, as patient “shopping” agency increases. Importantly, patients may view cost as a proxy for quality, de-incentivizing cost lowering.^{5,6} Future studies are warranted to determine how plastic surgery patients utilize price transparency information, and its impact on decision-making.

References

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