



CHARGEMASTER FAQ

WHAT IS A CHARGEMASTER?

A chargemaster is a comprehensive list of charges for each inpatient and outpatient service or item provided by a hospital – you will see each test, exam, surgical procedure, room charge, medication, etc. Hospitals operate 24/7, seven days a week, and provide many services; therefore as you look at a chargemaster, you will see thousands of services and related charges.

Chargemaster amounts are almost never billed to a patient or received as payment by a hospital. The chargemaster amounts are billed to an insurance company, Medicare, or Medicaid, and those insurers then apply their contracted rates to the services that are billed. In situations where a patient does not have insurance, our hospital has financial assistance policies that apply discounts to the amounts charged. More information on our financial assistance policies can be found at <https://crmchealth.org/patient-financial-services>.

Health insurance companies contract with hospitals to care for their customers. Hospitals are paid the insurance company's contract rate, which generally is significantly less than the amount listed on the chargemaster.

Out-of-pocket cost- this is how it is determined:

The insurance company's contract rate, not the chargemaster, is the basis for determining the patient's actual out of pocket costs. As an example, a hospital may charge \$1,500 for a service, while the insurer's contract rate may be \$800. If the patient's insurance plan indicates the patient is responsible for 20 percent of the contract rate, the patient would owe \$160 ($\800×20 percent).

Please consult with your insurance provider to understand your insurance coverage, which charges will be covered, how much you will be billed, information on deductibles and your expected out-of-pocket responsibility.

IS EVERY PATIENT CHARGED THE SAME?

Yes, the list of charges is the same for all patients. However, the total charges for an individual patient often vary from one patient to another for a number of reasons, including:

- How long it takes to perform the service or how long it takes the patient to recover in the hospital
- Whether the service or procedure the patient receives is more or less difficult than expected
- What kinds of medication the patient requires

- Whether the patient experiences complications and needs additional treatment
- Other health conditions the patient may have that may affect their care

NON-HOSPITAL CHARGES

The information provided on the hospital's chargemaster is related to hospital charges only. Physician charges are independent from the hospital charges. You may also receive separate bills for services rendered by your primary physician, anesthesiologist, radiologist, pathologist or emergency room physicians.

If you have additional questions or would like to receive an estimate, please feel free to call a member of the Patient Financial Service team at (931)783-2701 or (931)783-2257.