New Ohio Transparency Pricing Rules for Hospitals Comes with Limits to Targeted Advertising

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Starting April 3, Ohio hospitals will have to navigate new requirements under <u>House Bill 173</u>. This law mandates greater transparency in healthcare pricing. It also includes rules for selling or targeted advertising related to personal information hospitals collect from price estimator tools (discussed in more detail below). The law applies to hospitals in Ohio, which is any facility providing inpatient medical services for periods longer than twenty-four hours.

Transparent pricing for services

HB 173 requires hospitals to provide consumers with public pricing information for all hospital items and services. Hospitals need to create a digital list of all standard charges for their services. This list must be easy to access, free of charge, and cannot require any personal information from the user. These provisions are designed to help patients understand how much they will have to pay for medical services. Hospitals also have to offer information about "shoppable services" e.g., – services that can be scheduled in advance.

To meet this transparency requirement, hospitals either must provide a list of shoppable services, *or* provide an internet-based price estimator tool that helps patients estimate costs for these types of procedures.

Targeted advertising

For hospitals that decide to use a price estimator tool, there are restrictions on how personal information the tool collects can be used. Specifically, the law prohibits hospitals from using personal information collected from the use of the tool for targeted advertising. The law defines targeted advertising as displaying an ad that is selected based on personal data obtained from the use of a hospital's internet-based price estimator tool by a person in Ohio. This means that hospitals cannot show consumers specific ads based on the information a person provides to estimate healthcare costs. Hospitals are also not allowed to sell personal information collected from price estimator tools. While "sell" is not defined under the law it is most likely to be interpreted closer to HIPAA definitions than state consumer privacy laws. Sell under HIPAA means direct or indirect renumeration in exchange for PHI.

The law provides specific exclusions for what is considered targeted advertising. Hospitals can still advertise based on a user's direct request for information or their activities on the hospital's own websites. Ads that are shown based on the context of a user's search or visit are also excluded. Additionally, using data to measure how effective ads are is not considered targeted advertising. However, covered entities must continue to be mindful of OCR's guidance with respect to the use of tracking technologies as well.

Putting it into Practice: Hospitals in Ohio may need to adopt new practices to remain compliant with the law. This includes making sure their websites provide easy-to-find pricing information for patients. Additionally, hospitals should confirm personal information from price estimator tools isn't used for targeted advertising.

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