

CMS Releases 2024 Final Rule for Medicare Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System

Healthcare Law Update

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The Centers for Medicare & Medicaid Services (CMS) recently published a [final rule](#) to update the payment systems for the Medicare Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Centers (ASC) for calendar year 2024 (CY 2024). This rule sets payment rates and introduces policy changes that will affect services provided in hospital outpatient and ASC settings during CY 2024.

Under the final rule, CMS is implementing an overall 3.1% increase in OPPS and ASC payment rates, factoring in productivity adjustments. CMS estimates that total payments to OPPS and ASC providers for CY 2024 will be approximately \$88.9 billion and \$7.1 billion, respectively, taking into account factors such as beneficiary cost-sharing and anticipated changes in enrollment, utilization, and case mix. Goals of the final rule include promoting health equity, expanding access to behavioral health care, improving transparency in the health system, and fostering safe, effective, and patient-centered care.

The final rule places emphasis on quality reporting program requirements, with non-compliance potentially resulting in a 2% reduction in the CY 2024 fee schedule increase factor. Additionally, the final rule encompasses various policy changes, such as enhanced hospital price transparency requirements, the implementation of the intensive outpatient program benefit, and the inclusion of dental codes and procedures in the ASC-covered procedures list. Notably, the bundling policy for diagnostic radiopharmaceuticals remains unchanged, and CMS will maintain the statutory default rate for 340B-acquired drugs and biologicals.

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