



## **CMS Releases 4 Final Payment Rules**

November 2, 2022

The last few days we have seen a number of final payment rules published by CMS with varying degrees of change from the proposed versions of the rules. Strategic Health Care is digging into the rules and will provide more detail in the coming days. Below are each of the rules with links to the fact sheets and press releases issued by the agency, along with a brief synopsis.

### **Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System**

The CY 2023 OPPS payment rates and ASC payment rates will be increased by 3.8 percent beginning on Jan. 1<sup>st</sup>. The rule finalizes the reimbursement and conditions of participation for Rural Emergency Hospitals, establishes a policy to permit clinical staff of hospital outpatient departments to provide behavioral health services remotely to patients in their homes, and finalizes the proposal for a new method to account for research organs and to allow for costs for certain services associated with donors after cardiac death to be paid. Additionally, the final rule payment rates for partial hospitalization program (PHP) services furnished in hospital outpatient departments and community mental health centers (CMHCs) as well as made updates to the Overall Hospital Quality Star Rating. Also included are a few changes to the CoPs for critical access hospitals.

Finally, CMS finalized their intention to finalize a general payment rate of ASP plus 6 percent for drugs and biologicals acquired through the 340B Program and will implement a –3.09 percent reduction to the payment rates for non-drug services to achieve budget neutrality for the 340B drug payment rate change for CY 2023. CMS notes that it is still evaluating how to apply the Supreme Court’s decision on the 340B payment cuts to prior calendar years and that it will address the remedy for 2018-2022 in a separate rulemaking to be published in advance of the CY 2024 OPPS/ASC proposed rule.

For the final rule – click [here](#).

For the press release – click [here](#).

For the overall fact sheet – click [here](#).

For the fact sheet on Rural Emergency Hospitals – click [here](#).

For the fact sheet on behavioral health changes – click [here](#).

### **Physician Fee Schedule (PFS)**

Unfortunately, CMS finalized the proposed, on average, 4.5 percent cut to physician payments. It is important to note that this is an average cut; primary care physicians received increases while specialty physicians, due to budget neutrality requirements, received cuts. These cuts are by way

of the “conversion factor” used to determine provider reimbursement in traditional Medicare, which will drop to \$33.06, down \$1.55, or 4.47% from \$34.61 in 2022. The rule also expands access to behavioral health services, accountable care organizations (ACOs), cancer screening, and dental care.

For the final rule – click [here](#).

For the press release – click [here](#).

For the overall fact sheet – click [here](#).

For the fact sheet on the Medicare Shared Savings Program – click [here](#).

For the CMS blog on behavioral health policies – click [here](#).

### **Home Health Prospective Payment System (HH PPS)**

CMS estimates that payments to HHAs in CY 2023 will increase in the aggregate by 0.7 percent, or \$125 million compared to CY 2022. The rule also includes a finalized methodology to determine the impact of differences of assumed and actual behavior changes on aggregate expenditures, as well as a permanent prospective payment adjustment to the home health 30-day period payment rate.

For the rule – click [here](#).

For the fact sheet – click [here](#).

### **End-Stage Renal Disease (ESRD) Prospective Payment System (PPS)**

CMS will increase payments for hospital based ESRD facilities by 3.1 percent, and for freestanding facilities by 3.0 percent. The rule also updates the Acute Kidney Injury (AKI) dialysis payment rate for renal dialysis services furnished by ESRD facilities and updates requirements for the ESRD Quality Incentive Program (QIP) along with detailing responses to an RFI contained in the proposed rule on health equity.

For the rule – click [here](#).

For the fact sheet – click [here](#).

Please don’t hesitate to contact anyone on our team if you have questions.

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