



Insurers Hit Sepsis Reimbursement for Hospitals

September 27, 2023

Some Medicare Advantage plans and other commercial plans are applying Sepsis-3 criteria for reimbursement of hospitals claims instead of the Sepsis-2 criteria used by CMS for traditional Medicare, resulting in lower reimbursement to hospitals. Sepsis is a life-threatening condition caused by the body's response to an infection where early discovery and treatment leads to a greater likelihood of recovery.

It is our understanding that the Sepsis 3 standard is not supported by current clinical best practices. The Sepsis 3 standard does not change the way providers care for patients with sepsis, but it does enable the plan to decline reimbursement for early sepsis interventions which may have significant financial implications for hospitals. Furthermore, some payors are also reviewing claims on a pre-payment or post-payment basis, leading to payment denials and time-consuming appeals processes.

- Click [here](#) for a notice from UHC which adopted the Sepsis-3 criteria in 2019, implementing payment reviews in 2022.
- For more background information, click [here](#) for an 2018 article in Becker's Hospital Review.

Some states have adopted regulations to require the use of Sepsis-2 criteria for reimbursement and have advised plans to act accordingly.

- Click [here](#) for information from New York and [here](#) for how the state regulations developed.

AHA recognized this as an issue in 2022 and commented to CMS (click [here](#), see page 11; click [here](#), see page 5). However, CMS made no changes.

We have a few health system clients who tell us that this change to Sepsis-3 criteria is costing them millions in reimbursement. We're trying to determine whether this is a significant reimbursement issue for your health system. Please contact us asap to let us know, or we plan to discuss it on our next call with you.

Thank you!

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