CMS Proposes CY2024 Payment Rules for Outpatient Hospital Services and ASCs



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On July 13, 2023, the Centers for Medicare & Medicaid Services ("CMS") published a proposed rule setting forth the Calendar Year (CY) 2024 Hospital Outpatient Prospective Payment System (OPPS) and ASC Payment System (ASCPS). In addition to setting CY2024 payment rates under the OPPS and ASCPS, the proposed rule includes policies that align with several key goals of President Biden's Administration, including strengthening Medicare, promoting health equity, expanding access to behavioral health care, improving transparency in the health system, and promoting safe, effective, and patient-centered care.

Under the proposed rule, reimbursement rates for hospitals that meet applicable quality reporting requirements would be increased by 2.8%, and reimbursement rates for ambulatory surgical centers would be similarly increased by 2.8%. Under the proposed rule, CMS would continue to pay the statutory default rate for drugs and biologicals acquired under Section 340B of the Public Health Services Act. To further CMS's goal of promoting price transparency, CMS is proposing to modify the standard charge display requirements for covered facilities and to update the enforcement provisions related to transparency compliance. CMS is also considering the implementation of a separate payment for establishing and maintaining access to a buffer stock of essential medicines.

The proposed rule would establish the Intensive Outpatient Program (IOP) under Medicare, which would address gaps in behavioral health coverage in Medicare and promote access to behavioral health care hospital outpatient departments, Community Mental Health Centers (CMHCs), Federally Qualified Health Centers and Rural Health Clinics. The proposed rule also contains provisions that would update Medicare payment rates for partial hospital program services in outpatient hospital departments and CMHCs. CMS is also proposing changes to the Hospital Outpatient Quality Reporting Program, the Ambulatory Surgical Center Quality Reporting Program and the Rural Emergency Hospital Quality Reporting in order to further meaningful

measurement and reporting for quality of care in the outpatient setting.

Comments to the proposed rule are due by September 11, 2023, and CMS will issue a final rule in early November.

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