



2021 MEDICARE

Inpatient Reimbursement Prospectus

Due to increasing financial risk to U.S. health care providers, physicians and hospitals have been centered on outcomes-based modifiers to Medicare payments for the last few years. We appreciate the role that Abbott procedures play in Medicare's reform programs and we believe that opportunities for success in a new era of reform continue to present themselves, such as treatment optimization, improving outcomes and avoiding downstream complications. Abbott believes that opportunities also exist from clinical to economic perspectives to impact patient care and hospital performance. We continue our mission to create relevant technology that improves meaningful patient outcomes, now made even more meaningful considering expanded financial risks posed to U.S. hospitals.

On September 2, 2020, the Centers for Medicare & Medicaid Services (CMS) released the FY 2021 Final Inpatient Prospective Payment System (IPPS) Rule, effective for inpatient services on October 1, 2020. Abbott has analyzed and summarized the varying impact to individual FY 2021 Medicare Severity-Diagnosis Related Group (MS-DRG) payments for procedures supported by our technologies or therapy solutions. Please refer to the full FY 2021 Final IPPS Rule to fully understand the changes to individual MS-DRGs.

Medicare IPPS Comparison Chart: FY 2020 vs. FY 2021

Technology	MS-DRG	Description	Severity	FY 2020 - Correction Notice		FY 2021 - Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
Surgical Valves	216	Cardiac valve & other major cardiothoracic procedures with cardiac catheterization	MCC	\$62,855	6,176	\$67,039	5,603	6.7%	-573
	217		CC	\$41,632	2,245	\$41,732	1,885	0.2%	-360
	218		None	\$33,807	265	\$33,057	210	-2.2%	-55
	219	Cardiac valve & other major cardiothoracic procedures without cardiac catheterization	MCC	\$49,071	15,946	\$51,773	15,599	5.5%	-347
	220		CC	\$33,209	16,954	\$34,707	15,078	4.5%	-1,876
	221		None	\$28,767	2,677	\$29,259	2,419	1.7%	-258
Septal Defects - Atrial: PFO Closure; LAAC	273	Percutaneous intracardiac procedures	MCC	\$23,223	6,886	\$24,663	7,557	6.2%	671
	274		None	\$19,777	21,816	\$21,117	26,618	6.8%	4,802
Septal Defects - Ventricular	228	Other cardiothoracic procedures	MCC	\$39,346	4,153	\$39,948	4,437	1.5%	284
	229		CC None	\$25,692	4,907	\$25,633	5,252	-0.2%	345
Endovascular Valve Replacement & Supplement - includes Aortic and Mitral	266	Endovascular Cardiac Valve Replacement & Supplement Procedure	MCC	\$44,573	18,384	\$45,617	20,765	2.3%	2,381
	267		None	\$35,523	25,026	\$35,999	29,799	1.3%	4,773
Coronary Artery Bypass Graft (CABG)	231	Coronary bypass with PTCA	MCC	\$51,395	975	\$54,570	974	6.2%	-1
	232		None	\$37,469	695	\$37,911	701	1.2%	6
	233	Coronary bypass with cardiac catheterization	MCC	\$48,625	12,544	\$50,087	12,154	3.0%	-390
	234		None	\$32,586	14,849	\$34,177	13,951	4.9%	-898
	235	Coronary bypass without cardiac catheterization	MCC	\$36,831	10,977	\$38,759	11,499	5.2%	522
	236		None	\$25,218	19,641	\$26,229	19,732	4.0%	91
Coronary (Stents)	246	Percutaneous cardiovascular procedures with DES or 4+ stents	MCC	\$19,858	48,565	\$20,090	51,008	1.2%	2,443
	247	Percutaneous cardiovascular procedure with DES	None	\$12,735	86,968	\$12,779	86,480	0.3%	-488
	248	Percutaneous cardiovascular procedures with BMS or 4+ stents	MCC	\$19,381	3,437	\$20,400	2,416	5.3%	-1,021
	249	Percutaneous cardiovascular procedures with BMS	None	\$11,996	4,568	\$12,079	3,090	0.7%	-1,478
	250	Perc cardiovasc proc w/o coronary artery stent	MCC	\$15,961	4,177	\$16,215	4,435	1.6%	258
	251		None	\$10,534	5,637	\$10,668	5,172	1.3%	-465
Endovascular	252	Other vascular procedures	MCC	\$20,532	35,177	\$21,344	33,330	4.0%	-1,847
	253		CC	\$16,315	26,085	\$17,056	23,996	4.5%	-2,089
	254		None	\$11,392	11,899	\$11,630	10,545	2.1%	-1,354
Vascular Plugs	270	Other major cardiovascular services	MCC	\$31,985	18,560	\$33,304	18,960	4.1%	400
	271		CC	\$22,207	14,845	\$22,911	14,541	3.2%	-304
	272		None	\$16,281	5,530	\$17,282	5,320	6.1%	-210

Medicare IPPS Comparison Chart: FY 2020 vs. FY 2021

Technology	MS-DRG	Description	Severity	FY 2020 - Correction Notice		FY 2021 - Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
Carotid	034	Carotid artery stent procedure	MCC	\$23,494	1,132	\$25,546	1,372	8.7%	240
	035		CC	\$14,409	3,052	\$15,021	3,672	4.2%	620
	036		None	\$10,959	4,319	\$11,898	5,167	8.6%	848
Percutaneous Heart Pump (PHP)	215	Other heart assist systems implant	None	\$80,654	6,845	\$71,716	7,744	-11.1%	899
Renal Denervation	304	Hypertension	MCC	\$6,832	15,492	\$7,042	16,720	3.1%	1,228
	305		None	\$4,578	30,020	\$4,747	30,531	3.7%	511
Leadless Pacemaker	228	Other cardiothoracic procedures	MCC	\$39,346	4,153	\$39,948	4,437	1.5%	284
	229		None	\$25,692	4,907	\$25,633	5,252	-0.2%	345
Defibrillator Systems; CRT-D	222	Cardiac defibrillator implant with cardiac catheterization with AMI/HF/shock	MCC	\$52,229	1,836	\$54,126	1,867	3.6%	31
	223		None	\$37,572	531	\$39,928	484	6.3%	-47
	224	Cardiac defibrillator implant with cardiac catheterization without AMI/HF/shock	MCC	\$46,293	2,213	\$47,320	2,335	2.2%	122
	225		None	\$35,356	1,650	\$36,166	1,634	2.3%	-16
	226	Cardiac defibrillator implant without cardiac catheterization	MCC	\$41,858	5,054	\$42,497	4,869	1.5%	-185
	227		None	\$32,729	5,193	\$33,756	4,622	3.1%	-571
Defibrillator Generator & Lead	245	AICD generator procedures	NA	\$32,595	2,116	\$34,798	1,889	6.8%	-227
	265	AICD lead procedures	NA	\$19,536	657	\$21,613	580	10.6%	-77
Pacemaker Systems; CRT-P	242	Permanent cardiac pacemaker implant	MCC	\$23,228	19,033	\$23,926	18,961	3.0%	-72
	243		CC	\$15,831	26,105	\$16,278	25,229	2.8%	-876
	244		None	\$12,990	15,098	\$13,277	14,510	2.2%	-588
Pacemaker Generator	258	Cardiac pacemaker device replacement	MCC	\$19,144	664	\$20,576	547	7.5%	-117
	259		None	\$13,035	1,029	\$13,627	902	4.5%	-127
Pacemaker Revision; ICMs	260	Cardiac pacemaker revision except device replacement	MCC	\$23,156	2,627	\$23,037	2,668	-0.5%	41
	261		CC	\$12,196	3,594	\$12,799	3,653	4.9%	59
	262		None	\$10,500	1,487	\$10,979	1,359	4.6%	-128
Acute Myocardial Infarction (AMI)	280	Acute myocardial infarction, discharged alive	MCC	\$10,208	87,710	\$10,452	91,216	2.4%	3,506
	281		CC	\$6,063	48,941	\$5,991	48,347	-1.2%	-594
	282		None	\$4,618	21,726	\$4,663	20,562	1.0%	-1,164
	283	Acute myocardial infarction, expired	MCC	\$11,264	10,583	\$11,985	10,281	6.4%	-302
	284		CC	\$4,540	1,286	\$4,719	1,086	3.9%	-200
	285		None	\$3,241	320	\$3,191	273	-1.5%	-47
Conduction Disorders	308	Cardiac arrhythmia and conduction disorders	MCC	\$7,434	70,825	\$7,708	69,826	3.7%	-999
	309		CC	\$4,734	89,056	\$4,817	86,595	1.8%	-2,461
	310		None	\$3,501	59,439	\$3,589	55,723	2.5%	-3,716
Catheter Ablations	273	Percutaneous intracardiac procedures	MCC	\$23,223	6,886	\$24,663	7,557	6.2%	671
	274		None	\$19,777	21,816	\$21,117	26,618	6.8%	4,802

Medicare IPPS Comparison Chart: FY 2020 vs. FY 2021

Technology	MS-DRG	Description	Severity	FY 2020 - Correction Notice		FY 2021- Final Rule				
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)	
Left Ventricular Assist Device (LVAD)	001	Heart Transplant or Implant of Heart Assist System	MCC	\$172,959	2,409	\$186,171	2,213	7.6%	-196	
	002		None	\$87,711	194	\$102,395	145	16.7%	-49	
Acute Mechanical Circulatory System (MCS)	003	ECMO or Trach with MV >96 Hrs or PDX Exc Face, Mouth & Neck w/major.	NA	\$118,632	15,320	\$122,064	14,534	2.9%	-786	
	215	Other heart assist systems implant	NA	\$80,654	6,845	\$71,716	7,744	-11.1%	899	
	870	Septicemia or Severe Sepsis with MV >96 hours or peripheral extracorporeal membrane oxygenation (ECMO)	NA	\$39,584	35,008	\$41,295	32,513	4.3%	-2,495	
CardioMEMS™ HF System	264	Other circulatory system operating room procedures	NA	\$20,267	10,829	\$20,875	10,418	3.0%	-411	
Deep Brain Stimulation (DBS)	025	Lead placement only, or lead revision	MCC	\$27,505	21,570	\$28,870	21,986	5.0%	416	
	026		CC	\$19,064	9,696	\$19,655	9,547	3.1%	-149	
	027	OR System implant, single array generator plus leads	None	\$15,001	10,895	\$16,144	10,506	7.6%	-389	
	040	Generator only implant or replacement, single/multi array non-rechargeable or multi-array rechargeable	MCC	\$24,663	4,621	\$25,438	3,883	3.1%	-738	
	041		CC	\$14,843	6,645	\$15,110	6,428	1.8%	-217	
	042		None	\$11,568	2,385	\$12,115	2,414	4.7%	29	
	023	System implant, multi-array, rechargeable or non-rechargeable, plus leads	MCC	\$35,157	11,196	\$36,394	12,867	3.5%	1,671	
	024		None	\$25,139	4,251	\$25,276	4,624	0.5%	373	
Spinal Cord Stimulation (SCS) for Pain	028	Whole System implantation or replacement(generator plus leads)	MCC	\$34,990	2,100	\$37,408	2,247	6.9%	147	
	029	Spinal procedures or spinal neurostimulators	CC	\$20,072	3,946	\$21,178	3,865	5.5%	-81	
	030	Spinal Procedures without CC/MCC	None	\$14,221	1,587	\$15,150	1,432	6.5%	-155	
	518	Back & neck procedures excluding spinal fusion, or disc device/neurostimulator	MCC	\$21,334	2,651	\$23,038	2,684	8.0%	33	
	519	Back and neck procedure except spinal fusion with CC	CC	\$11,946	8,673	\$12,583	8,454	5.3%	-219	
	520	Back and neck procedure except spinal fusion without CC/MCC	None	\$8,374	7,732	\$9,110	6,513	8.8%	-1,219	
	040	Peripheral/Cranial Nerve and Other Nervous System Procedures Generator implantation only or replacement (any type)	MCC	\$24,663	4,621	\$25,438	3,883	3.1%	-738	
	041		CC	\$14,843	6,645	\$15,110	6,428	1.8%	-217	
	042		None	\$11,568	2,385	\$12,115	2,414	4.7%	29	
	981		Extensive OR procedure unrelated to to principal Dx	MCC	\$28,107	27,701	\$29,616	26,453	5.4%	-1,248
	982			CC	\$15,260	16,473	\$16,335	13,856	7.0%	-2,617
	983	None		\$10,247	2,988	\$10,636	2,652	3.8%	-336	

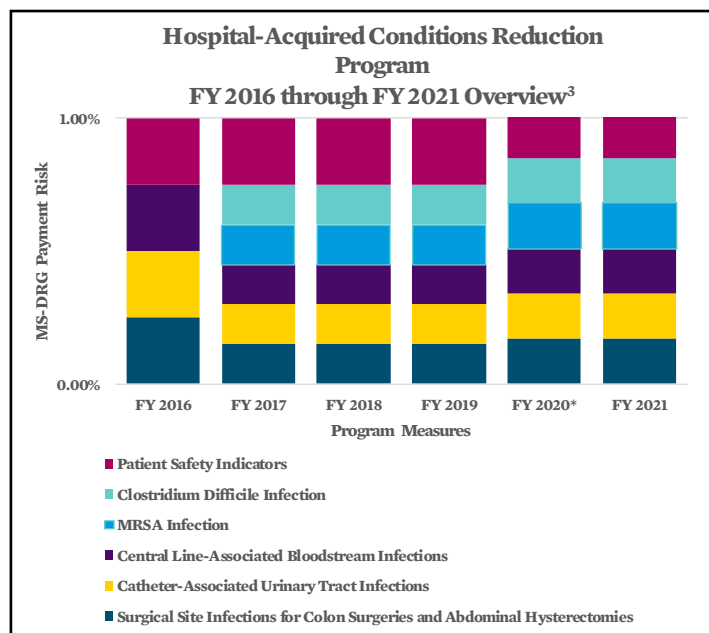
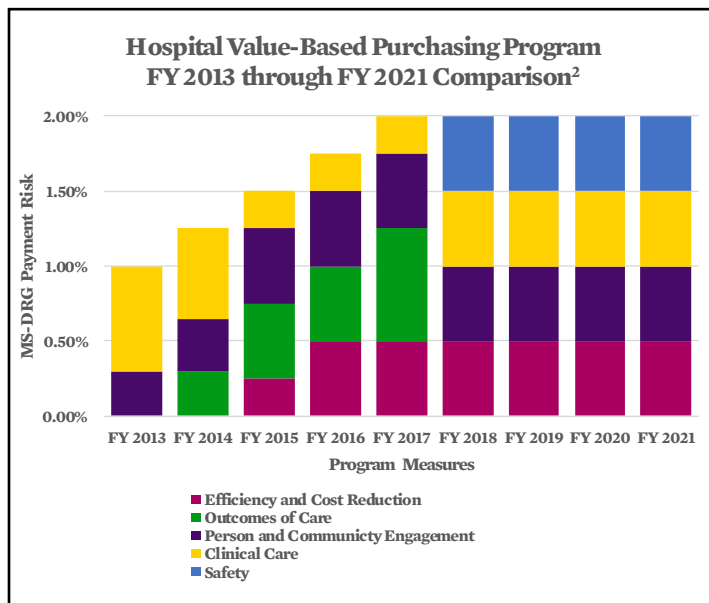
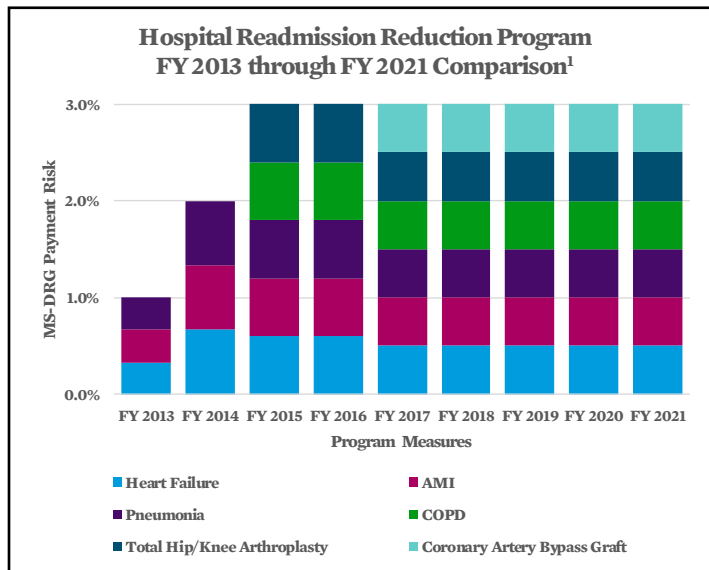
Medicare IPPS Comparison Chart: FY 2020 vs. FY 2021

Technology	MS-DRG	Description	Severity	FY 2020 - Correction Notice		FY 2021 - Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
Major Chest	163	Major chest procedures	MCC	\$30,504	11,581	\$31,877	10,876	4.5%	-705
	164		CC	\$15,845	15,985	\$16,941	15,822	6.9%	-163
	165		None	\$11,574	8,299	\$12,267	8,222	6.0%	-77
Aortic Heart Assist	268	Aortic and Heart assist procedures except pulsation balloon	MCC	\$42,452	3,697	\$44,700	3,661	5.3%	-36
	269		None	\$26,703	17,001	\$27,732	16,306	3.9%	-695
Aortic Heart Assist	286	Circulatory disorders except AMI, w card cath	MCC	\$13,753	43,136	\$14,231	44,705	3.5%	1,569
	287		None	\$7,212	60,364	\$7,392	57,260	2.5%	-3,104
Peripheral Vascular	299	Peripheral vascular disorders	MCC	\$9,074	17,958	\$9,843	19,593	8.5%	1,635
	300		CC	\$6,432	29,154	\$6,699	28,615	4.2%	-539
	301		None	\$4,543	8,497	\$4,772	7,636	5.0%	-861
Vascular: Other Kidney and Urinary Tract	673	Other kidney & urinary tract procedures	MCC	\$22,373	11,426	\$22,259	15,762	-0.5%	4,336
	674		CC	\$15,298	6,710	\$15,300	7,325	0.0%	615
	675		None	\$10,215	468	\$11,261	474	10.2%	6
Heart Failure	291	Heart failure & shock	MCC	\$8,423	392,424	\$8,619	394,461	2.3%	2,037
	292		CC	\$5,667	94,507	\$5,753	84,830	1.5%	-9,677
	293		None	\$4,101	24,904	\$4,195	21,889	2.3%	-3,015

MEDICARE PAYMENT RISK CONTINUES

As planned, Medicare will continue the scope and level of potential penalties of its payment reform initiatives, including the Hospital Readmissions Reduction Program and the Value-Based Purchasing Program. Risk to inpatient MS-DRG payments will continue at 3% and 2% respectively. The FY 2013 through FY 2021 makeup and impact of these two payment reform programs are illustrated in the charts on the next page. As payment reforms continue to impact healthcare management and as Medicare changes the way in which health care providers are paid, Abbott will continue to explore programs that seek to improve meaningful patient outcomes through shared risk.

For more information on how Medicare’s rulemaking or reform initiatives may impact your facility or institution, please contact Abbott’s Reimbursement team at 855-569-6430 or at AbbottEconomics@abbott.com.



DISCLAIMER

This document and the information contained herein is for general information purposes only and is not intended, and does not constitute, legal, reimbursement, business, clinical, or other advice. Furthermore, it is not intended to and does not constitute a representation or guarantee of reimbursement, payment, or charge, or that reimbursement or other payment will be received. It is not intended to increase or maximize payment by any payer. Similarly, nothing in this document should be viewed as instructions for selecting any particular code, and Abbott does not advocate or warrant the appropriateness of the use of any particular code. The ultimate responsibility for coding and obtaining payment/reimbursement remains with the customer. This includes the responsibility for accuracy and veracity of all coding and claims submitted to third-party payers. In addition, the customer should note that laws, regulations, and coverage policies are complex and are updated frequently, and, therefore, the customer should check with its local carriers or intermediaries often and should consult with legal counsel or a financial, coding, or reimbursement specialist for any questions related to coding, billing, reimbursement or any related issues. This material reproduces information for reference purposes only. It is not provided or authorized for marketing use.

REFERENCES

Hospital Inpatient Prospective Payment-Final Rule FY2021 Payment Rates. CMS-1735-F: <https://www.cms.gov/medicare/acute-inpatient-pps/fy-2021-ipp-final-rule-home-page>

Final Acute Inpatient Prospective Payment System FY 2020 Payment Rates. CMS-1716-F: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2020-IPPS-Final-Rule-Home-Page>

Tables created by Abbott Health Economics and Reimbursement team based on analysis of Medicare 2021 IPPS Final rule as of September 2, 2020

1. CMS Readmissions Reduction Program (HRRP): <https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/readmissions-reduction-program.html>
2. CMS Hospital Value-Based Purchasing: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/HospitalQualityInits/Hospital-Value-Based-Purchasing-.html>
3. CMS Matrix of Key Dates: <https://www.aha.org/hospital-acquired-condition-reduction-program/home>

CAUTION: This product is intended for use by or under the direction of a physician. Prior to use, reference the Instructions for Use, inside the product carton (when available) or at eifu.abbottvascular.com or at medical.abbott/manuals for more detailed information on Indications, Contraindications, Warnings, Precautions and Adverse Events.

Abbott

One St. Jude Medical Dr., St. Paul, MN 55117, USA, Tel: 1 651 756 2000
3200 Lakeside Dr., Santa Clara, CA 95054 USA, Tel: 1 800 227 9902

TM Indicates a trademark of the Abbott group of companies.

www.cardiovascular.abbott
www.neuromodulation.abbott

Item approved for U.S. use only.
HE&R, approved for non-promotional use only.

