



2019 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 August 2, 2018, the Centers for Medicare & Medicaid Services (CMS) released the FY 2019 Final Inpatient Prospective Payment System (IPPS) Rule, effective for inpatient services on October 1, 2018. Abbott has analyzed and summarized the varying impact to individual FY 2019 Medicare Severity- Diagnosis Related Group (MS-DRG) payments for procedures supported by our technologies or therapy solutions. Please refer to the full FY 2019 Final IPPS Rule to fully understand the changes to individual MS-DRGs.

Medicare IPPS Comparison Chart: FY 2018 vs. FY 2019

Technology	MS-DRG	Description	Severity	FY 2018 <sup>2</sup> - Final		FY 2019 <sup>1</sup> - Final			
				Payment	Discharges	Payment	Discharges	% Change (\$)	% Change (Discharges)
Surgical Valves	216	Cardiac valve & other major cardiothoracic procedures with cardiac catheterization	MCC	\$57,249	9,726	\$59,998	7,489	4.8%	(2,237)
	217		CC	\$37,847	3,738	\$38,872	2,972	2.7%	(766)
	218		None	\$34,270	528	\$36,077	371	5.3%	(157)
	219	Cardiac valve & other major cardiothoracic procedures without cardiac catheterization	MCC	\$45,841	16,936	\$46,990	16,426	2.5%	(510)
	220		CC	\$30,979	19,491	\$31,800	17,737	2.7%	(1,754)
	221		None	\$27,634	3,726	\$28,148	3,124	1.9%	(602)
Vascular Plugs; PDA	270	Other major cardiovascular services	MCC	\$29,782	18,057	\$30,923	18,619	3.8%	562
	271		CC	\$20,395	15,154	\$21,344	14,777	4.7%	(377)
	272		None	\$14,792	5,833	\$15,995	5,902	8.1%	69
Septal Defects - Atrial; LAAC	273	Percutaneous intracardiac procedures	MCC	\$21,576	6,947	\$22,314	7,396	3.4%	449
	274		None	\$16,689	15,503	\$18,195	18,287	9.0%	2,784
Septal Defects - Ventricular; TMV/repair	228	Other cardiothoracic procedures	MCC	\$39,751	3,770	\$40,176	4,834	1.1%	1,064
	229		CC-16, None-17	\$27,620	4,946	\$28,398	5,798	2.8%	852
Endovascular Valve Replacement - includes Aortic and Mitral	266	Endovascular Cardiac Valve Replacement	MCC	\$46,727	11,333	\$43,935	14,625	-6.0%	3,292
	267		None	\$36,803	15,166	\$35,727	19,813	-2.9%	4,647
Coronary Artery Bypass Graft (CABG)	231	Coronary bypass with PTCA	MCC	\$48,906	1,126	\$51,311	1,111	4.9%	(15)
	232		None	\$35,202	823	\$37,635	745	6.9%	(78)
	233	Coronary bypass with cardiac catheterization	MCC	\$44,268	12,726	\$46,661	12,747	5.4%	21
	234		None	\$30,483	17,072	\$31,445	16,048	3.2%	(1,024)
	235	Coronary bypass without cardiac catheterization	MCC	\$34,833	10,157	\$35,494	10,750	1.9%	593
	236		None	\$23,411	20,062	\$23,987	19,898	2.5%	(164)
Coronary (Stents)	246	Percutaneous cardiovascular procedures with DES or 4+ stents	MCC	\$19,352	39,019	\$19,787	46,250	2.2%	7,231
	247	Percutaneous cardiovascular procedure with DES	None	\$12,754	89,191	\$12,690	88,316	-0.5%	(875)
	248	Percutaneous cardiovascular procedures with BMS or 4+ stents	MCC	\$18,373	7,041	\$19,382	5,345	5.5%	(1,696)
	249	Percutaneous cardiovascular procedures with BMS	None	\$11,797	11,360	\$12,158	7,634	3.1%	(3,726)
	250	Perc cardiovasc proc w/o coronary artery stent	MCC	\$15,106	3,880	\$15,803	4,026	4.6%	146
	251		None	\$10,024	6,358	\$10,250	6,053	2.3%	(305)
Endovascular	252	Other vascular procedures	MCC	\$19,492	35,671	\$19,915	35,436	2.2%	(235)
	253		CC	\$15,281	28,906	\$15,849	27,293	3.7%	(1,613)
	254		None	\$10,928	13,757	\$11,058	13,382	1.2%	(375)

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				Payment	Discharges	Payment	Discharges	% Change (\$)	% Change (Discharges)
<b>Carotid</b>	034	Carotid artery stent procedure	MCC	\$24,060	608	\$21,992	722	-8.6%	114
	035		CC	\$13,428	1,681	\$13,564	2,255	1.0%	574
	036		None	\$10,632	2,806	\$10,545	3,182	-0.8%	376
<b>Percutaneous Heart Pump (PHP)</b>	215	Other heart assist systems implant	None	\$77,678	304	\$78,724	3,654	1.3%	3,350
<b>Renal Denervation</b>	304	Hypertension	MCC	\$6,320	3,088	\$6,605	14,507	4.5%	11,419
	305		None	\$4,170	20,715	\$4,398	30,211	5.5%	9,496
<b>Surgical Ablations</b>	228	Other cardiothoracic procedures	MCC	\$39,751	3,770	\$40,176	4,834	1.1%	1,064
	229		None	\$27,620	4,946	\$28,398	5,798	2.8%	852
<b>Leadless Pacemaker</b>	228	Other cardiothoracic procedures	MCC	\$39,751	3,770	\$40,176	4,834	1.1%	1,064
	229		None	\$27,620	4,946	\$28,398	5,798	2.8%	852
<b>Catheter Ablations</b>	273	Percutaneous intracardiac procedures	MCC	\$21,576	6,947	\$22,314	7,396	3.4%	449
	274		None	\$16,689	15,503	\$18,195	18,287	9.0%	2,784
<b>Defibrillator Systems; Cardiac Resynchronization Therapy for Defibrillators (CRT-D)</b>	222	Cardiac defibrillator implant with cardiac catheterization with AMI/HF/shock	MCC	\$51,155	1,534	\$49,712	1,644	-2.8%	110
	223		None	\$38,835	959	\$38,832	622	-0.0%	(337)
	224	Cardiac defibrillator implant with cardiac catheterization without AMI/HF/shock	MCC	\$44,256	2,145	\$45,359	2,083	2.5%	(62)
	225		None	\$34,130	1,927	\$34,941	1,795	2.4%	(132)
	226		Cardiac defibrillator implant without cardiac catheterization	MCC	\$40,972	4,419	\$41,654	4,847	1.7%
227	None	\$32,580		6,762	\$32,481	5,714	-0.3%	(1,048)	
<b>Defibrillator Generator &amp; Lead</b>	245	AICD generator procedures	NA	\$32,870	2,554	\$30,620	2,514	-6.8%	(40)
	265	AICD lead procedures	NA	\$20,114	899	\$19,041	742	-5.3%	(157)
<b>Pacemaker Systems; Cardiac Resynchronization Therapy for Pacemakers (CRT-P)</b>	242	Permanent cardiac pacemaker implant	MCC	\$22,336	17,891	\$22,830	19,009	2.2%	1,118
	243		CC	\$15,727	26,193	\$15,605	26,536	-0.8%	343
	244		None	\$12,898	18,197	\$12,895	17,023	-0.0%	(1,174)
<b>Pacemaker Generator</b>	258	Cardiac pacemaker device replacement	MCC	\$18,578	805	\$18,259	716	-1.7%	(89)
	259		None	\$12,581	1,967	\$12,811	1,410	1.8%	(557)
<b>Pacemaker Revision; ICMs</b>	260	Cardiac pacemaker revision except device replacement	MCC	\$21,622	2,241	\$22,112	2,495	2.3%	254
	261		CC	\$11,679	3,456	\$12,168	3,446	4.2%	(10)
	262		None	\$9,953	1,628	\$9,964	1,482	0.1%	(146)
<b>Left Ventricular Assist Device (LVAD)</b>	001	Heart Transplant or Implant of Heart Assist System	MCC	\$153,259	2,151	\$161,349	2,341	5.3%	190
	002		None	\$91,905	290	\$82,002	209	-10.8%	(81)

Medicare IPPS Comparison Chart: FY 2018 vs. FY 2019 continued

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				Payment	Discharges	Payment	Discharges	% Change (\$)	% Change (Discharges)
<b>Acute Mechanical Circulatory System (MCS)</b>	003	ECMO or TRACH w/MV >96 hours or PDX PDX EXC face, mouth & neck w/major.	NA	\$106,294	16,598	\$111,783	15,890	5.2%	(708)
	207	Respiratory system diagnosis w/ventilator support >96 hours or peripheral extracorporeal membrane oxygenation (ECMO)	NA	NA	NA	\$34,190	21,234	NA	NA
	215	Other heart assist systems implant	NA	\$77,678	304	\$78,724	3,654	1.3%	3,350
	291	Heart failure & shock w/MCC or peripheral extracorporeal membrane oxygenation (ECMO)	NA	NA	NA	\$8,219	369,287	NA	NA
	296	Cardiac Arrest, unexplained w/MCC or peripheral extracorporeal membrane oxygenation (ECMO)	NA	NA	NA	\$9,381	3,859	NA	NA
	870	Septicemia or severe Sepsis w/ MV >96 hours or peripheral extracorporeal membrane oxygenation (ECMO)	NA	NA	NA	\$38,459	34,468	NA	NA
<b>CardioMEMS™ HF System</b>	264	Other circulatory system operating room procedures	NA	\$19,396	9,237	\$19,297	10,947	-0.5%	1,710
<b>Deep Brain Stimulation (DBS)</b>	025	Lead placement only, or lead revision	MCC	\$25,959	19,661	\$26,132	21,010	0.7%	1,349
	026		CC	\$18,079	8,960	\$18,424	9,859	1.9%	899
	027		None	\$14,253	10,739	\$14,697	10,843	3.1%	104
	040	Generator only implant or replacement, single/multi array non-rechargeable or multi-array rechargeable	MCC	\$22,960	4,463	\$23,998	4,436	4.5%	(27)
	041		CC	\$14,051	5,310	\$14,408	6,320	2.5%	1,010
	042		None	\$11,511	2,181	\$11,433	2,324	-0.7%	143
	023	System implant, multi-array, rechargeable or non-rechargeable, plus leads	MCC	\$33,142	7,694	\$33,357	9,270	0.6%	1,576
	024		None	\$23,097	2,671	\$23,945	3,650	3.7%	979
	025		MCC	\$25,959	19,661	\$26,132	21,010	0.7%	1,349
	026	System implant, single array generator plus leads	CC	\$18,079	8,960	\$18,424	9,859	1.9%	899
027	None		\$14,253	10,739	\$14,697	10,843	3.1%	104	
<b>Spinal Cord Stimulatin (SCS) for Pain</b>	028	Whole System implantation or replacement(generator plus leads)	MCC	\$33,507	1,697	\$32,836	2,019	-2.0%	322
	029	Spinal procedures or spinal neurostimulators	CC	\$19,735	3,250	\$19,279	3,745	-2.3%	495
	518	Back & neck procedures excluding spinal fusion, or disc device/neurostimulator	MCC	\$17,437	4,079	\$18,940	3,088	8.6%	(991)
	040	Peripheral/Cranial Nerve and Other Nervous System Procedures Generator implantation only or replacement (any type)	MCC	\$22,960	4,463	\$23,998	4,436	4.5%	(27)
	041		CC	\$14,051	5,310	\$14,408	6,320	2.5%	1,010
	042		None	\$11,511	2,181	\$11,433	2,324	-0.7%	143

Medicare IPPS Comparison Chart: FY 2018 vs. FY 2019 continued

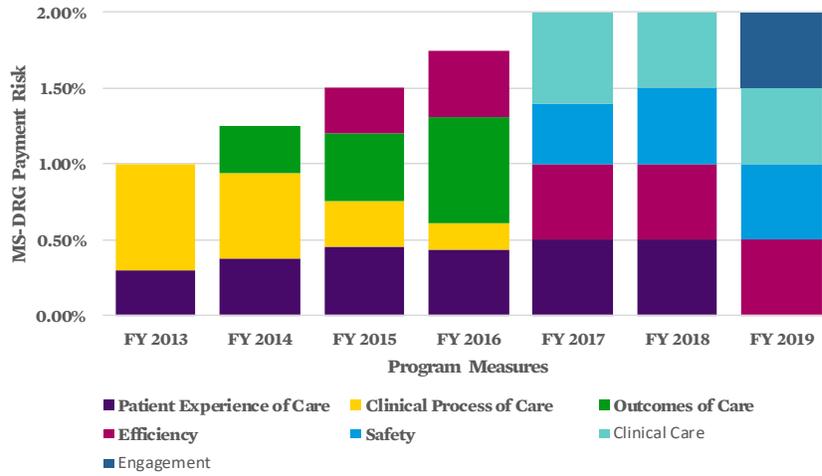
Technology	MS-DRG	Description	Severity	FY 2018 <sup>2</sup> - Final		FY 2019 <sup>1</sup> - Final			
				Payment	Discharges	Payment	Discharges	% Change (\$)	% Change (Discharges)
<b>SCS for Pain continued</b>	981	Extensive OR procedure unrelated to to principal Dx	MCC	\$25,985	31,106	\$26,700	30,034	2.8%	(1,072)
	982		CC	\$14,971	15,916	\$14,985	17,586	0.1%	1,670
	983		None	\$9,918	3,697	\$9,586	3,598	-3.3%	(99)
<b>Extracranial</b>	037	Extracranial procedures	MCC	\$19,104	4,163	\$19,609	4,043	2.6%	(120)
	038		CC	\$9,451	12,084	\$10,213	12,666	8.1%	582
	039		None	\$6,714	27,370	\$6,918	26,417	3.0%	(953)
<b>Major Chest</b>	163	Major chest procedures	MCC	\$29,843	12,180	\$30,053	11,746	0.7%	(434)
	164		CC	\$15,544	16,035	\$15,694	15,679	1.0%	(356)
	165		None	\$11,156	8,527	\$11,317	8,269	1.4%	(258)
<b>Aortic Heart Assist</b>	268	Aortic and heart assist procedures except pulsation balloon	MCC	\$39,327	4,001	\$40,955	4,014	4.1%	13
	269		None	\$25,048	18,059	\$25,359	18,014	1.2%	(45)
<b>Acute Myocardial Infarction (AMI)</b>	280	Acute myocardial infarction, discharged alive	MCC	\$9,994	72,812	\$10,124	81,284	1.3%	8,472
	281		CC	\$5,936	47,526	\$5,985	48,107	0.8%	581
	282		None	\$4,574	24,950	\$4,576	23,350	0.1%	(1,600)
	283	Acute myocardial infarction, expired	MCC	\$10,593	10,060	\$11,025	10,502	4.1%	442
	284		CC	\$4,745	1,671	\$4,683	1,544	-1.3%	(127)
	285		None	\$3,335	502	\$3,644	453	9.2%	(49)
<b>Aortic Heart Assist</b>	286	Circulatory disorders except AML, w card cath	MCC	\$13,431	33,651	\$13,323	41,301	-0.8%	7,650
	287		None	\$7,084	74,519	\$6,958	64,499	-1.8%	(10,020)
<b>Peripheral Vascular</b>	299	Peripheral vascular disorders	MCC	\$8,507	19,160	\$8,861	18,703	4.2%	(457)
	300		CC	\$6,139	32,478	\$6,254	31,349	1.9%	(1,129)
	301		None	\$4,371	11,867	\$4,437	10,373	1.5%	(1,494)
<b>Other Kidney and Urinary Tract</b>	673	Other kidney & urinary tract procedures	MCC	\$21,246	8,382	\$21,855	7,698	2.9%	(684)
	674		CC	\$13,965	5,428	\$14,125	5,384	1.1%	(44)
	675		None	\$9,888	579	\$9,929	503	0.4%	(76)
<b>Heart Failure</b>	291	Heart failure & shock	MCC	\$8,898	236,072	\$8,219	369,287	-7.6%	133,215
	292		CC	\$5,780	183,421	\$5,619	104,082	-2.8%	(79,339)
	293		None	\$4,061	52,700	\$4,066	36,153	0.1%	(16,547)

**MEDICARE PAYMENT RISK CONTINUES**

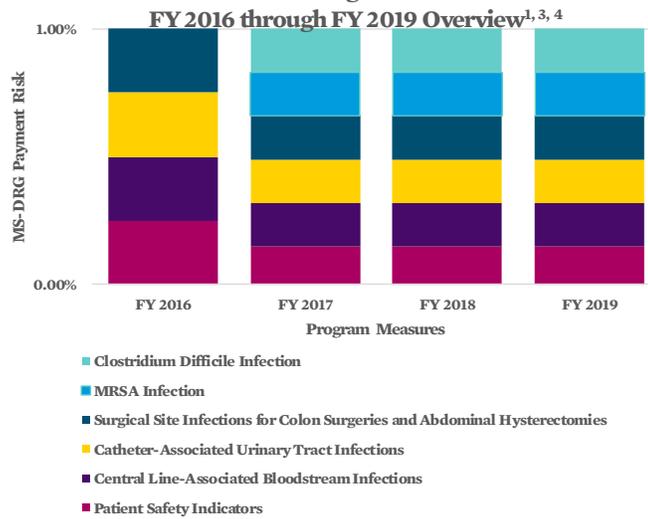
As planned, Medicare will continue the scope and severity of its payment reform initiatives, including the Hospital Readmissions Reduction Program and the Value-Based Purchasing Program. Risk to inpatient MS-DRG payments will continue at 3% and 2% respectively. The FY 2013 through FY 2019 makeup and impact of these two payment reform programs are illustrated in the charts below. 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 [hce@abbott.com](mailto:hce@abbott.com).

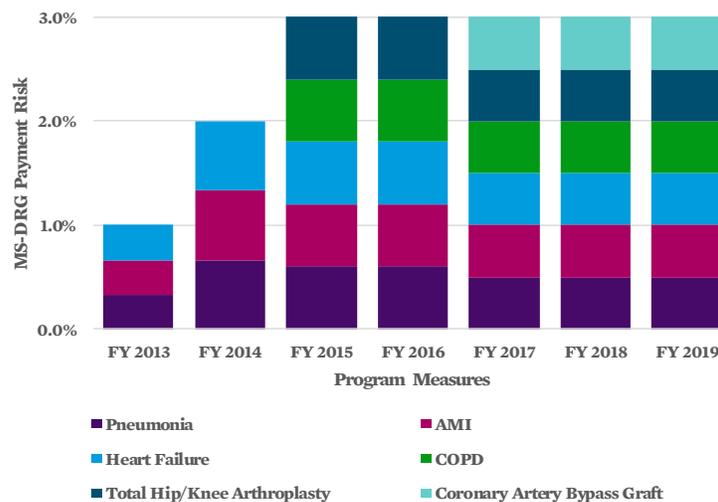
### Hospital Value-Based Purchasing Program FY 2013 through FY 2019 Comparison<sup>1, 3, 6</sup>



### Hospital-Acquired Conditions Reduction Program



### Hospital Readmission Reduction Program FY 2013 through FY 2019 Comparison<sup>1, 3, 5</sup>



## Disclaimer

This update is intended to provide general information to assist the reader in understanding the Medicare IPPS final rule for fiscal year 2019. We encourage readers to review the regulation and other interpretive materials for a full and accurate understanding of the contents. This information does not guarantee coverage or payment at any specific level.

This information is provided to assist the recipient to understand the alternative codes and payment amounts that may be available when Abbott products are used. This information is for reference purposes only. It is not provided or authorized for marketing use. Note that codes, coverage and payment can vary from setting to setting, and from insurer to insurer. This information does not guarantee that use of any particular codes will result in coverage or payment at any specific level. Insurers make reimbursement decisions according to the insurer's evaluation of the patient's medical needs. The provider should select the code or codes that most accurately describe the patient's conditions and the procedures performed and products used. The provider should fully comply with the insurer requirements in submitting claims. The billing entity is solely responsible for the accuracy of the codes submitted.

## References

1. Final Acute Inpatient Prospective Payment System FY 2019 Rule, CMS-1694-F: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2019-IPPS-Final-Rule-Home-Page.html>
2. Final Acute Inpatient Prospective System FY 2018 Rule, CMS-1677-F: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2018-IPPS-Final-Rule-Home-Page.html>
3. Tables created by Abbott Health Economics and Reimbursement team based on analysis of Medicare 2019 IPPS Final rule as of September 2018
4. CMS Matrix of Key Dates: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Downloads/HAC-Reduction-Program-Key-Dates-Matrix.pdf>
5. CMS Readmissions Reduction Program (HRRP): <https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/readmissions-reduction-program.html>
6. CMS Hospital Value-Based Purchasing: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/HospitalQualityInits/Hospital-Value-Based-Purchasing-.html>

**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](http://eifu.abbottvascular.com) or at [medical.abbott/](http://medical.abbott/) manuals for more detailed information on Indications, Contraindications, Warnings, Precautions and Adverse Events.

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