

### 2024 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 8, 2023, the Centers for Medicare & Medicaid Services (CMS) released the FY 2024 Final Inpatient Prospective Payment System (IPPS) Rule, effective for inpatient services on October 1, 2023. Abbott has analyzed and summarized the varying impact to individual FY 2023 Medicare Severity-Diagnosis Related Group.

(MS-DRG) payments for procedures supported by our technologies or therapy solutions. Please refer to the full FY 2024 Final IPPS Rule to fully understand the changes to individual MS-DRGs.

				FY 2023 Co	rrection Notice		FY 2024 Final Rule			
Technology	MS-DRG	Description	Severity	Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Dishcharges)	
	216	Cardiac valve & other major cardiothoracic procedures with cardiac catheterization	МСС	\$66,825	6,310	\$67,953	5,376	1.7%	(934)	
	217		СС	\$43,550	2,006	\$44,567	1,821	2.3%	(185)	
	218	cardiae catricterization	None	\$40,737	334	\$39,886	325	-2.1%	(9)	
Surgical Valves	219	Cardiac valve & other major	МСС	\$55,756	13,338	\$53,991	12,631	-3.2% -1.5%	(707)	
Surgicul valves	220	cardiothoracic procedures without cardiac catheterization	СС	\$37,282	11,014	\$36,721	10,418	-1.5%	(596)	
	221		None	\$32,457	1,597	\$32,548	1,491	0.3%	(106)	
	212	Concomitant aortic and mitral valve procedures	NA	NA	NA	\$75,412	900	0.3% NA	900	
Congenital	228	Other cardiothoracic proce-	МСС	\$33,806	3,949	\$35,279	4,232	4.4%	283	
Defects- Ventricular Septal	229	dures	CC-16, None-17	\$22,643	4,831	\$22,262	5,146	% Change (\$) 1.7% 2.3% -2.1% -3.2% -1.5% 0.3% NA	315	
	266	Endovascular Cardiac Valve	МСС	\$45,278	21,511	\$43,733	21,018	-3.4%	(493)	
TEER and TAVR	267	Replacement & Supplement Procedure	None	\$35,399	36,614	\$34,169	38,197	-3.5%	1,583	

		Description	Severity	FY 2023 Correction Notice		FY 2024 Final Rule				
Technology	MS-DRG			Payment	Discharges (National)	Payment	Discharges (National)	% Change	Change (Dishcharges)	
Atrial Septal, PFO	273	Percutaneous intracardiac	MCC	\$27,527	7,800	\$27,285	7,475		(325)	
Closure and LAAC	274	procedures	None	\$23,045	34,271	\$22,691	42,864	-1.5%	8,593	
	270	Other major cardiovascular	МСС	\$35,070	17,827	\$35,406	16,959	1.0%	(868)	
Congenital	271	services	СС	\$23,897	12,964	\$24,199	12,220	1.3%	(744)	
Defects - PDA	272		None	\$17,810	4,265	\$17,080	4,044	-4.1%	(221)	
	034	Carotid artery stent procedure	МСС	\$27,434	1,446	\$27,316	1,612	-0.4%	166	
Carotid	035		СС	\$15,666	3,961	\$16,100	4,539	2.8%	578	
	036		None	\$12,901	5,437	\$12,660	6,406	Charges ational) (S) 7,475 -0.9% 2,864 -1.5% 6,959 1.0% 2,220 1.3% 4,044 -4.1% 1,612 -0.4% 4,539 2.8% 6,406 -1.9% 804 -1.3% 465 3.7% 0,187 2.8% 0,952 2.3% 0,825 0.2% 5,600 1.1% NA N	969	
	231	Coronary bypass with PTCA	МСС	\$57,573	857	\$56,819	804	-1.3%	(53)	
	232		None	\$40,182	486	\$41,650	465	3.7%	(21)	
CABG	233	Coronary bypass with cardiac	МСС	\$53,126	11,237	\$54,610	10,187	2.8%	(1,050)	
CABG	234	catheterization	None	\$35,576	11,082	\$36,394	9,952	2.3%	(1,130)	
	235	Coronary bypass without	МСС	\$41,089	10,674	\$41,174	10,825	0.2%	151	
	236	cardiac catheterization	None	\$27,976	15,792	\$28,295	15,600	ges (\$) -0.9% -1.5% -1.0% -1.3% -1.3% -1.4.1% -1.3% -1	(192)	
	246	Percutaneous cardiovascular procedures with DES or 4+ stents	МСС	\$20,547	44,820	NA	NA	NA	NA	
	247	Percutaneous cardiovascular procedure with DES	None	\$13,098	65,203	NA	NA	NA	NA	
	248	Percutaneous cardiovascular procedures with BMS or 4+ stents	МСС	\$20,646	878	NA	NA	NA	NA	
	249	Percutaneous cardiovascular procedures with BMS	None	\$12,462	971	NA	NA	NA	NA	
	321	Percutaneous cardiovascular procedures with intraluminal device with mcc or 4+ arteries/intraluminal devices	МСС	NA	NA	\$20,127	40,895	NA	40,895	
Coronary (PCI)	322	Percutaneous cardiovascular procedures with intraluminal device without mcc	None	NA	NA	\$12,767	56,809	NA	56,809	
	323	Coronary intravascular litho- tripsy with intraluminal device with mcc	МСС	NA	NA	\$28,987	2,109	NA	2,109	
	324	Coronary intravascular litho- tripsy with intraluminal device without mcc	None	NA	NA	\$20,785	2,186	NA	2,186	
	325	Coronary intravascular lith- otripsy without intraluminal device	NA	NA	NA	\$18,514	409	NA	409	
	250	Percutaneous cardiovascular procedures without intraluminal device with mcc	МСС	\$16,598	3,823	\$16,459	3,476	-0.8%	(347)	
	251	Percutaneous cardiovascular procedures without intraluminal device without mcc	None	\$11,149	3,770	\$11,111	3,184	-0.3%	(586)	
Endovascular and	252	Other vascular procedures	МСС	\$22,933	26,446	\$23,482	21,692	2.4%	(4,754)	
Dialysis Circuit Mechanical	253		СС	\$18,342	19,580	\$17,862	16,915	-2.6%	(2,665)	
Thrombectomy	254		None	\$12,543	7,716	\$12,148	6,926	-3.1%	(790)	

		Description	Severity	FY 2023 Co	FY 2023 Correction Notice		FY 2024 Final Rule			
Technology	MS-DRG			Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Dishcharges)	
Peripheral	270	Other major cardiovascular	МСС	\$35,070	17,827	\$35,406	16,959	1.0%	(868)	
Atherectomy, Arterial &	271	services	СС	\$23,897	12,964	\$24,199	12,220	1.3%	(744)	
Venous Mechanical Thrombectomy, and Vascular Plugs	272		None	\$17,810	4,265	\$17,080	4,044	-4.1%	(221)	
	299	Peripheral vascular disorders	МСС	\$10,550	15,865	\$11,036	14,956	4.6%	(909)	
Thrombolysis	300		СС	\$7,073	20,475	\$7,471	18,694	5.6%	(1,781)	
	301		None	\$4,913	4,879	\$4,970	4,338	1.2%	(541)	
	275	Cardiac defibrillator implant with cardiac catherization and MCC	МСС	NA	NA	\$49,262	3,487	NA	NA	
ICD Systems and CRT-D	276	Cardiac defibrillator implant with MCC	МСС	NA	NA	\$43,481	3,847	Scharges ational) (\$)  16,959	NA	
	277	Cardiac defibrillator implant without MCC	None	NA	NA	\$33,484	4,140		NA	
Leadless	228	Other cardiothoracic proce-	МСС	\$33,806	3,949	\$35,279	4,232	4.4%	283	
Pacemaker	229	dures	None	\$22,643	4,831	\$22,262	5,146	-1.7%	315	
	242	Permanent cardiac pacemaker implant	МСС	\$23,827	16,361	\$24,191	15,987	1.5%	(374)	
Pacemaker Systems; CRT-P	243		СС	\$16,079	19,742	\$15,947	18,901	-0.8%	(841)	
Systems, Citi-i	244		None	\$13,041	10,610	\$12,809	9,590	% Change (\$)  1.0%  1.3%  -4.1%  4.6%  5.6%  1.2%  NA  NA  NA  A.4%  -1.7%  1.5%  -0.8%  -1.8%  -5.1%  6.7%  -3.0%  -4.5%  -3.3%  0.5%  0.2%  0.8%  1.4%  2.3%  4.9%  2.7%  -7.9%  4.7%  3.0%  -1.5%  -1.5%  -1.5%  -1.5%  -1.5%  -1.7%  -7.2%	(1,020)	
	245	AICD generator procedures	NA	\$33,447	912	\$31,727	828	-5.1%	(84)	
ICDs	265	AICD lead procedures	NA	\$23,200	496	\$24,744	425	6.7%	(71)	
Pacemaker	258	Cardiac pacemaker device replacement	МСС	\$19,559	630	\$18,965	607	-3.0%	(23)	
Generator Replacement	259		None	\$13,679	710	\$13,069	741	-4.5%	31	
Pacemaker	260	Cardiac pacemaker revision	МСС	\$23,999	2,706	\$23,212	2,529	-3.3%	(177)	
Revision and	261	except device replacement	СС	\$13,107	2,739	\$13,176	2,584	0.5%	(155)	
ICMs Implant	262		None	\$11,502	889	\$11,520	773	**S ** Change (\$)  1.0%  1.3%  -4.1%  4.6%  5.6%  1.2%  NA  NA  NA  **A.4.4%  -1.7%  1.5%  -0.8%  -1.8%  -5.1%  6.7%  -3.0%  -4.5%  -3.3%  0.5%  0.2%  0.8%  1.4%  2.3%  4.9%  2.7%  -7.9%  4.7%  3.0%  -1.5%  -1.5%  -1.5%  -1.5%  -7.2%	(116)	
	280	Acute myocardial infarction,	МСС	\$11,019	83,111	\$11,108	83,895	% Change (\$)  1.0%  1.3%  -4.1%  4.6%  5.6%  1.2%  NA  NA  NA  NA  4.4%  -1.7%  1.5%  -0.8%  -1.8%  -5.1%  6.7%  -3.0%  -4.5%  0.5%  0.2%  0.8%  1.4%  2.3%  4.9%  2.7%  -7.9%  4.7%  3.0%  2.4%  -0.9%  -1.5%  -1.5%  -7.2%	784	
	281	discharged alive	СС	\$6,301	35,838	\$6,392	35,238	1.4%	(600)	
Acute Myocardial	282		None	\$4,916	15,164	\$5,028	14,831	2.3%	(333)	
Infarction (AMI)	283	Acute myocardial infarction,	МСС	\$13,161	9,793	\$13,803	9,463	4.9%	(330)	
	284	expired	СС	\$5,044	827	\$5,179	16,959 1.0% 12,220 1.3%  4,044 -4.1%  14,956 4.6% 18,694 5.6% 4,338 1.2%  3,487 NA  3,847 NA  4,140 NA  4,140 NA  4,232 4.4% 5,146 -1.7% 15,987 1.5% 18,901 -0.8% 9,590 -1.8% 9,590 -1.8% 828 -5.1% 425 6.7% 607 -3.0% 741 -4.5% 2,529 -3.3% 2,584 0.5% 773 0.2% 83,895 0.8% 35,238 1.4% 14,831 2.3% 9,463 4.9% 729 2.7% 192 -7.9% 52,120 4.7% 60,170 3.0% 32,935 2.4% 7,475 -0.9% 42,864 -1.5% 41 -7.2%	(98)		
	285		None	\$3,716	183	\$3,422	192	-7.9%	9	
	308	Cardiac arrhythmia and con-	МСС	\$8,043	55,275	\$8,417	52,120	4.7%	(3,155)	
Conduction Disorders	309	duction disorders	СС	\$5,060	62,631	\$5,214	60,170	3.0%	(2,461)	
	310		None	\$3,781	35,588	\$3,872	32,935	2.4%	(2,653)	
Catheter	273	Percutaneous intracardiac	МСС	\$27,527	7,800	\$27,285	7,475	-0.9%	(325)	
Ablations	274	procedures	None	\$23,045	34,271	\$22,691	42,864	-1.5%	8,593	
Left Ventricular	001	Heart Transplant or Implant of	МСС	\$193,069	1,823	\$189,734	1,844	-1.7%	21	
Assist Device (LVAD)	002	Heart Assist System	None	\$92,419	76	\$85,728	41	-7.2%	(35)	
Acute Mechanical Circulatory	003	ECMO or Tracheostomy with MV >96 Hours or PDX Except Face, Mouth and Neck with major O.R. procedure	None	\$138,817	12,427	\$149,276	11,144	7.5%	(1,283)	
System (MCS)	215	Other heart assist systems implant	None	\$70,675	4,004	\$71,520	3,817	1.2%	(187)	

		Description		FY 2023 Correction Notice		FY 2024 Final Rule			
Technology	MS-DRG		Severity	Payment	Discharges (National)	Payment	Discharges	% Change	Change (Dishcharges)
	216	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with MCC	None	\$66,825	6,310	\$67,953	5,376	1.7%	(934)
	217	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with CC	None	\$43,550	2,006	\$44,567	1,821	2.3%	(185)
Acute Mechanical	218	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization without CC/MCC	None	\$40,737	334	\$39,886	325	-2.1%	(9)
Circulatory System (MCS)	219	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization with MCC	None	\$55,756	13,338	\$53,991	(National)   (\$)	(707)	
	220	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization with CC	None	\$37,282	11,014	\$36,721	10,418	-1.5%	(596)
	221	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization without CC/MCC	None	\$32,457	1,597	\$32,548	1,491	0.3%	(106)
PA Pressure Monitor	264	Other circulatory system operating room procedures	None	\$22,703	8,277	\$22,867	8,310	0.7%	33
	023	System implant, multi-array, rechargeable or non-rechargeable, plus leads	мсс	\$39,315	12,582	\$39,691	12,418	1.0%	(164)
	024		None	\$27,087	4,712	\$26,528	4,683	-2.1%	(29)
	025	Lead placement only, or lead revision OR System implant, single array generator plus leads	МСС	\$31,146	21,134	\$30,919	22,306	-0.7%	1,172
Deep Brain	026		СС	\$20,740	7,515	\$20,676	6,499	-0.3%	(1,016)
Stimulation (DBS)	027		None	\$17,117	7,844	\$17,034	7,703	-0.5%	(141)
	040	Generator only implant or replacement, single/multi array non-rechargeable or	МСС	\$25,987	3,792	\$26,960	3,618	3.7%	(174)
	041		СС	\$16,038	5,342	\$15,618	4,888	-2.6%	(454)
	042	multi-array rechargeable	None	\$12,688	1,747	\$12,181	1,655	National)       (\$)         5,376       1.7%         1,821       2.3%         325       -2.1%         12,631       -3.2%         10,418       -1.5%         1,491       0.3%         8,310       0.7%         12,418       1.0%         4,683       -2.1%         22,306       -0.7%         6,499       -0.3%         7,703       -0.5%         3,618       3.7%         4,888       -2.6%         1,655       -4.0%         3,618       3.7%         4,888       -2.6%         1,655       -4.0%         1,986       -0.0%	(92)
	028	Whole System implantation or replacement(generator plus leads)	МСС	\$40,317	2,273	\$42,192	2,237	4.7%	(36)
	029	Spinal procedures or spinal neurostimulators	СС	\$23,443	3,176	\$24,003	3,046	2.4%	(130)
	030	Spinal Procedures without CC/MCC	None	\$16,060	956	\$16,237	972	1.1%	16
	040	Peripheral/Cranial Nerve and	мсс	\$25,987	3,792	\$26,960	3,618	3.7%	(174)
Spinal Cord	041	Other Nervous System Procedures Generator	СС	\$16,038	5,342	\$15,618	4,888	-2.6%	(454)
Stimulation (SCS) for Pain	042	implantation only or replacement (any type)	None	\$12,688	1,747	\$12,181	1,655	-4.0%	(92)
	518	Back & neck procedures excluding spinal fusion, or disc device/neurostimulator	МСС	\$25,570	2,086	\$25,568	1,986	-0.0%	(100)
	519	Back and neck procedure except spinal fusion with CC	СС	\$13,714	6,722	\$13,783	6,875	0.5%	153
	520	Back and neck procedure except spinal fusion without CC/MCC	None	\$10,151	4,236	\$10,023	4,051	-1.3%	(185)

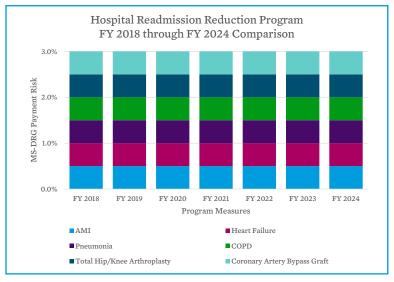
## **HEALTH ECONOMICS & REIMBURSEMENT**

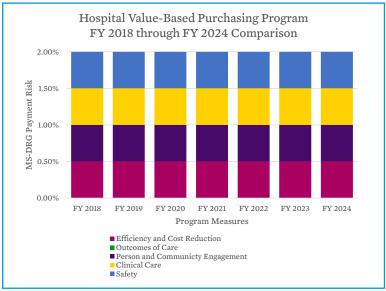
	MS-DRG	Description	Severity	FY 2023 Co	rrection Notice	FY 2024 Final Rule				
Technology				Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Dishcharges)	
Spinal Cord	981	Extensive OR procedure	МСС	\$31,419	24,728	\$33,190	22,306	5.6%	(2,422)	
Stimulation (SCS)	982	unrelated to to principal Dx	СС	\$17,205	11,287	\$17,406	9,924	1.2%	(1,363)	
for Pain	983		None	\$11,457	2,055	\$11,449	1,863	% Change (\$) 5.6%	(192)	
	163	Major chest procedures	МСС	\$33,226	10,731	\$33,003	11,457	-0.7%	726	
Major Chest	164		СС	\$17,716	14,450	\$17,857	14,308	0.8%	(142)	
	165		None	\$13,218	6,897	\$13,138	6,726	-0.6%	(171)	
Aortic Heart	268	Aortic and heart assist procedures except pulsation balloon	МСС	\$47,473	2,952	\$47,994	2,687	1.1%	(265)	
Assist	269		None	\$29,333	12,231	\$29,117	11,554	-0.7%	(677)	
Aortic Heart	286	Circulatory disorders except	МСС	\$14,549	41,073	\$15,093	38,606	3.7%	(2,467)	
Assist	287	AMI, w card cath	None	\$7,547	36,809	\$7,573	14,308     0.8%       6,726     -0.6%       2,687     1.1%       11,554     -0.7%       38,606     3.7%       32,576     0.3%       327,029     2.4%       14,521     1.3%       2,423     2.3%	(4,233)		
	291	Heart failure & shock	МСС	\$8,779	346,615	\$8,989	327,029	2.4%	(19,586)	
Heart Failure	292		СС	\$5,918	17,764	\$5,997	14,521	1.3%	(3,243)	
	293		None	\$3,843	2,939	\$3,931	2,423	9,924 1.2% 1,863 -0.1% 11,457 -0.7% 14,308 0.8% 6,726 -0.6% 2,687 1.1% 11,554 -0.7% 38,606 3.7% 32,576 0.3% 327,029 2.4% 14,521 1.3% 2,423 2.3% 14,956 4.6% 18,694 5.6% 4,338 1.2%	(516)	
	299	Peripheral vascular disorders	МСС	\$10,550	15,865	\$11,036	14,956	4.6%	(909)	
Peripheral Vascular	300		СС	\$7,073	20,475	\$7,471	18,694	5.6%	(1,781)	
Vasculai	301		None	\$4,913	4,879	\$4,970	4,338	1.2%	(541)	
Vascular: Other	673	Other kidney & urinary tract	МСС	\$23,967	15,527	\$25,892	14,883	8.0%	(644)	
Kidney and	674	procedures	СС	\$16,261	6,673	\$16,679	5,957	2.6%	(716)	
Urinary Tract	675		None	\$11,568	347	\$11,108	345	-4.0%	(2)	

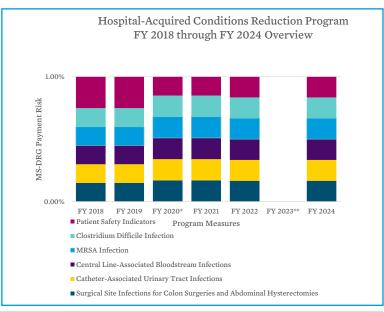
### MEDICARE PAYMENT RISK CONTINUES

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 2018 through FY 2024 makeup and impact of these two payment reform programs are illustrated in the charts on this 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.







### **HEALTH ECONOMICS & REIMBURSEMENT**

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### **REFERENCES**

Hospital Inpatient Prospective Payment-Final Rule FY2024 Payment Rates. CMS-1785-F: https://www.cms.gov/medicare/acute-inpatient-pps/fy-2024-ipps-final-rule-home-page

Hospital Inpatient Prospective Payment - Final Rule FY2023 Payment Rates. CMS-1771-F: https://www.cms.gov/medicare/acute-inpatient-pps/fy-2021-ipps-final-rule-home-page

Tables created by Abbott Health Economics and Reimbursement team based on analysis of Medicare 2024 IPPS Final rule

#### Table(s) sources:

- 1. CMS Hospital Readmissions Reduction Program (HRRP) Resources. https://www.qualitynet.org/inpatient/hrrp/resources
- 2. CMS Hospital-Acquired Condition Reduction Program Measures. https://qualitynet.cms.gov/inpatient/hac/measures
- 3. CMS Hospital Inpatient Overview. https://qualitynet.cms.gov/inpatient

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