



2023 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, 2022, the Centers for Medicare & Medicaid Services (CMS) released the FY 2023 Final Inpatient Prospective Payment System (IPPS) Rule, effective for inpatient services on October 1, 2022. 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 2023 Final IPPS Rule to fully understand the changes to individual MS-DRGs.

Medicare IPPS Comparison Chart: FY 2022 vs. FY 2023

Technology	MS-DRG	Description	Severity	FY 2022 Correction Notice		FY 2023 Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
Surgical Valves	216	Cardiac valve & other major cardiothoracic procedures with cardiac catheterization	MCC	\$66,202	7,517	\$66,825	6,310	0.9%	(1,207)
	217		CC	\$42,754	2,610	\$43,550	2,006	1.9%	(604)
	218		None	\$40,286	479	\$40,737	334	1.1%	(145)
	219	Cardiac valve & other major cardiothoracic procedures without cardiac catheterization	MCC	\$53,134	15,810	\$55,756	13,338	4.9%	(2,472)
	220		CC	\$35,644	15,227	\$37,282	11,014	4.6%	(4,213)
	221		None	\$30,201	2,486	\$32,456	1,597	7.5%	(889)
Congenital Defects- Ventricular Septal	228	Other cardiothoracic procedures	MCC	\$35,149	2,747	\$33,806	3,949	-3.8%	1,202
	229		CC-16, None-17	\$22,692	3,515	\$22,643	4,831	-0.2%	1,316
TEER and TAVR	266	Endovascular Cardiac Valve Replacement & Supplement Procedure	MCC	\$46,476	20,611	\$45,278	21,511	-2.6%	900
	267		None	\$36,915	29,708	\$35,399	36,614	-4.1%	6,906

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Technology	MS-DRG	Description	Severity	FY 2022 Correction Notice		FY 2023 Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
Atrial Septal, PDA, PFO Closure and LAAC	273	Percutaneous intracardiac procedures	MCC	\$25,234	7,699	\$27,527	7,800	9.1%	101
	274		None	\$21,673	26,476	\$23,044	34,271	6.3%	7,795
Carotid	034	Carotid artery stent procedure	MCC	\$26,233	1,372	\$27,434	1,446	4.6%	74
	035		CC	\$15,429	3,672	\$15,666	3,961	1.5%	289
	036		None	\$12,215	5,166	\$12,901	5,437	5.6%	271
CABG	231	Coronary bypass with PTCA	MCC	\$57,475	1,060	\$57,573	857	0.2%	(203)
	232		None	\$39,261	720	\$40,182	486	2.3%	(234)
	233	Coronary bypass with cardiac catheterization	MCC	\$52,242	13,684	\$53,126	11,237	1.7%	(2,447)
	234		None	\$35,187	15,313	\$35,575	11,082	1.1%	(4,231)
	235	Coronary bypass without cardiac catheterization	MCC	\$40,252	11,858	\$41,088	10,674	2.1%	(1,184)
	236		None	\$27,017	20,092	\$27,976	15,792	3.5%	(4,300)
Coronary (PCI)	246	Percutaneous cardiovascular procedures with DES or 4+ stents	MCC	\$20,602	52,462	\$20,547	44,820	-0.3%	(7,642)
	247	Percutaneous cardiovascular procedure with DES	None	\$13,012	85,022	\$13,098	65,203	0.7%	(19,819)
	248	Percutaneous cardiovascular procedures with BMS or 4+ stents	MCC	\$20,852	2,461	\$20,646	878	-1.0%	(1,583)
	249	Percutaneous cardiovascular procedures with BMS	None	\$12,356	3,045	\$12,462	971	0.9%	(2,074)
	250	Perc cardiovascular proc w/o coronary artery stent	MCC	\$16,629	4,472	\$16,598	3,823	-0.2%	(649)
	251		None	\$10,936	5,135	\$11,149	3,770	1.9%	(1,365)
Endovascular and Dialysis Circuit Mechanical Thrombectomy	252	Other vascular procedures	MCC	\$21,930	33,470	\$22,933	26,446	4.6%	(7,024)
	253		CC	\$17,498	23,997	\$18,342	19,580	4.8%	(4,417)
	254		None	\$11,974	10,599	\$12,543	7,716	4.8%	(2,883)
Arterial & Venous Mechanical Thrombectomy and Vascular Plugs	270	Other major cardiovascular services	MCC	\$34,204	19,004	\$35,070	17,827	2.5%	(1,177)
	271		CC	\$23,511	14,511	\$23,897	12,964	1.6%	(1,547)
	272		None	\$17,727	5,320	\$17,810	4,265	0.5%	(1,055)
Thrombolysis	299	Peripheral vascular disorders	MCC	\$10,106	19,588	\$10,550	15,865	4.4%	(3,723)
	300		CC	\$6,883	28,614	\$7,073	20,475	2.8%	(8,139)
	301		None	\$4,900	7,630	\$4,913	4,879	0.3%	(2,751)
ICD Systems and CRT-D	222	Cardiac defibrillator implant with cardiac catheterization with AMI/HF/shock	MCC	\$52,431	2,081	\$52,520	1,769	0.2%	(312)
	223		None	\$38,237	404	\$35,798	333	-6.4%	(71)
	224	Cardiac defibrillator implant with cardiac catheterization without AMI/HF/shock	MCC	\$49,583	2,119	\$48,628	1,853	-1.9%	(266)
	225		None	\$37,045	1,629	\$34,693	1,320	-6.3%	(309)
	226	Cardiac defibrillator implant without cardiac catheterization	MCC	\$43,291	5,317	\$43,907	4,317	1.4%	(1,000)
	227		None	\$34,370	4,202	\$34,439	3,028	0.2%	(1,174)
Leadless Pacemaker	228	Other cardiothoracic procedures	MCC	\$35,149	2,747	\$33,806	3,949	-3.8%	1,202
	229		None	\$22,692	3,515	\$22,643	4,831	-0.2%	1,316
Pacemaker Systems; CRT-P	242	Permanent cardiac pacemaker implant	MCC	\$24,581	19,301	\$23,826	16,361	-3.1%	(2,940)
	243		CC	\$16,608	24,932	\$16,079	19,742	-3.2%	(5,190)
	244		None	\$13,606	14,466	\$13,041	10,610	-4.2%	(3,856)

Medicare IPPS Comparison Chart: FY 2022 vs. FY 2023

Technology	MS-DRG	Description	Severity	FY 2022 Correction Notice		FY 2023 Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
ICDs	245	AICD generator procedures	NA	\$35,726	1,889	\$33,447	912	-6.4%	(977)
	265	AICD lead procedures	NA	\$22,193	580	\$23,200	496	4.5%	(84)
Pacemaker Generator Replacement	258	Cardiac pacemaker device replacement	MCC	\$20,891	592	\$19,558	630	-6.4%	38
	259		None	\$13,777	857	\$13,679	710	-0.7%	(147)
Pacemaker Revision and ICMs Implant	260	Cardiac pacemaker revision except device replacement	MCC	\$23,524	2,707	\$23,999	2,706	2.0%	(1)
	261		CC	\$13,148	3,619	\$13,107	2,739	-0.3%	(880)
	262		None	\$11,251	1,354	\$11,502	889	2.2%	(465)
Acute Myocardial Infarction (AMI)	280	Acute myocardial infarction, discharged alive	MCC	\$10,596	94,141	\$11,019	83,111	4.0%	(11,030)
	281		CC	\$6,137	46,135	\$6,301	35,838	2.7%	(10,297)
	282		None	\$4,788	19,808	\$4,916	15,164	2.7%	(4,644)
	283	Acute myocardial infarction, expired	MCC	\$12,296	10,318	\$13,161	9,793	7.0%	(525)
	284		CC	\$4,770	1,053	\$5,044	827	5.7%	(226)
	285		None	\$3,262	266	\$3,716	183	13.9%	(83)
Conduction Disorders	308	Cardiac arrhythmia and conduction disorders	MCC	\$7,919	69,819	\$8,043	55,275	1.6%	(14,544)
	309		CC	\$4,949	86,579	\$5,060	62,631	2.2%	(23,948)
	310		None	\$3,687	55,709	\$3,781	35,588	2.5%	(20,121)
Catheter Ablations	273	Percutaneous intracardiac procedures	MCC	\$25,234	7,699	\$27,527	7,800	9.1%	101
	274		None	\$21,673	26,476	\$23,044	34,271	6.3%	7,795
Left Ventricular Assist Device (LVAD)	001	Heart Transplant or Implant of Heart Assist System	MCC	\$190,661	2,236	\$193,068	1,823	1.3%	(413)
	002		None	\$98,716	122	\$92,419	76	-6.4%	(46)
Acute Mechanical Circulatory System (MCS)	003	ECMO or Tracheostomy with MV >96 Hours or PDX Except Face, Mouth and Neck with major O.R. procedure	NA	\$125,986	14,274	\$138,816	12,427	10.2%	(1,847)
	215	Other heart assist systems implant	NA	\$69,625	4,409	\$70,675	4,004	1.5%	(405)
	216	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with MCC	NA	\$66,202	7,517	\$66,825	6,310	0.9%	(1,207)
	217	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with CC	NA	\$42,754	2,610	\$43,550	2,006	1.9%	(604)
	218	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization without CC/MCC	NA	\$40,286	479	\$40,737	334	1.1%	(145)
	219	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization with MCC	NA	\$53,134	15,810	\$55,756	13,338	4.9%	(2,472)
	220	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization with CC	NA	\$35,644	15,227	\$37,282	11,014	4.6%	(4,213)
	221	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization without CC/MCC	NA	\$30,201	2,486	\$32,456	1,597	7.5%	(889)
PA Pressure Monitor	264	Other circulatory system operating room procedures	NA	\$21,455	10,415	\$22,703	8,277	5.8%	(2,138)

Medicare IPPS Comparison Chart: FY 2022 vs. FY 2023

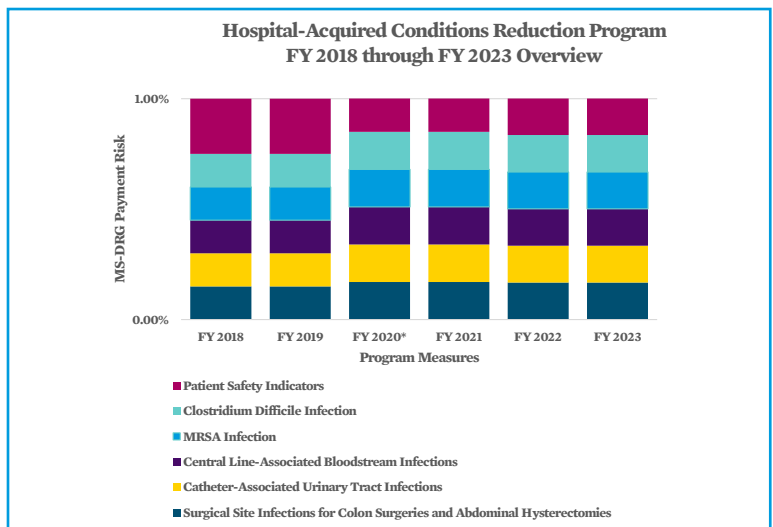
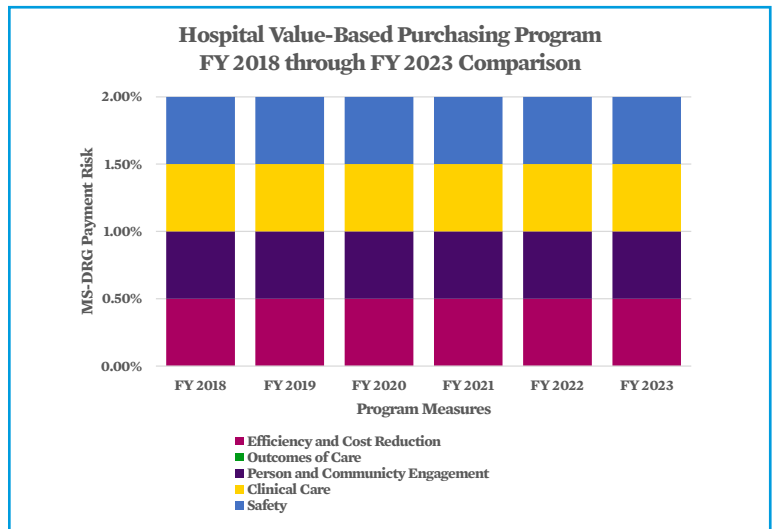
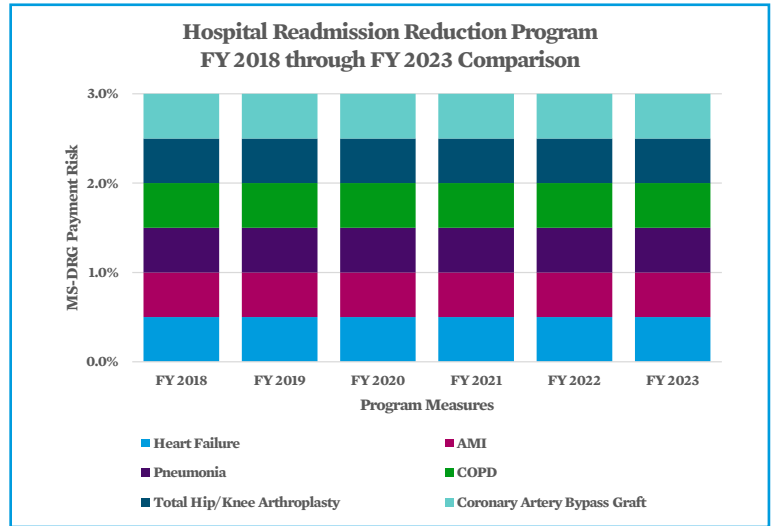
Technology	MS-DRG	Description	Severity	FY 2022 Correction Notice		FY 2023 Final Rule			
				Payment	Discharges	Payment	Discharges	% Change (\$)	Change (Discharges)
Deep Brain Stimulation (DBS)	023	System implant, multi-array, rechargeable or non-rechargeable, plus leads	MCC	\$37,402	12,870	\$39,315	12,582	5.1%	(288)
	024		None	\$25,975	4,624	\$27,087	4,712	4.3%	88
	025	Lead placement only, or lead revision OR System implant, single array generator plus leads	MCC	\$29,657	21,973	\$31,146	21,134	5.0%	(839)
	026		CC	\$20,192	9,535	\$20,740	7,515	2.7%	(2,020)
	027		None	\$16,580	10,477	\$17,117	7,844	3.2%	(2,633)
	040	Generator only implant or replacement, single/multi array non-rechargeable or multi-array rechargeable	MCC	\$25,485	3,780	\$25,987	3,792	2.0%	12
	041		CC	\$15,494	6,399	\$16,038	5,342	3.5%	(1,057)
	042		None	\$12,537	2,442	\$12,688	1,747	1.2%	(695)
Spinal Cord Stimulation (SCS) for Pain	028	Whole System implantation or replacement(generator plus leads)	MCC	\$38,399	2,247	\$40,317	2,273	5.0%	26
	029	Spinal procedures or spinal neurostimulators	CC	\$21,740	3,865	\$23,443	3,176	7.8%	(689)
	030	Spinal Procedures without CC/MCC	None	\$15,541	1,432	\$16,059	956	3.3%	(476)
	040	Peripheral/Cranial Nerve and Other Nervous System Procedures Generator implantation only or replacement (any type)	MCC	\$25,485	3,780	\$25,987	3,792	2.0%	12
	041		CC	\$15,494	6,399	\$16,038	5,342	3.5%	(1,057)
	042		None	\$12,537	2,442	\$12,688	1,747	1.2%	(695)
	518	Back & neck procedures excluding spinal fusion, or disc device/neurostimulator	MCC	\$23,653	2,684	\$25,570	2,086	8.1%	(598)
	519	Back and neck procedure except spinal fusion with CC	CC	\$12,925	8,454	\$13,714	6,722	6.1%	(1,732)
	520	Back and neck procedure except spinal fusion without CC/MCC	None	\$9,353	6,513	\$10,151	4,236	8.5%	(2,277)
	981	Extensive OR procedure unrelated to principal Dx	MCC	\$30,429	26,389	\$31,419	24,728	3.3%	(1,661)
	982		CC	\$16,727	13,717	\$17,205	11,287	2.9%	(2,430)
	983		None	\$10,896	2,652	\$11,457	2,055	5.1%	(597)
Major Chest	163	Major chest procedures	MCC	\$33,016	11,069	\$33,225	10,731	0.6%	(338)
	164		CC	\$17,512	15,841	\$17,716	14,450	1.2%	(1,391)
	165		None	\$12,639	8,164	\$13,218	6,897	4.6%	(1,267)
Aortic Heart Assist	268	Aortic and heart assist procedures except pulsation balloon	MCC	\$45,918	3,672	\$47,473	2,952	3.4%	(720)
	269		None	\$28,455	16,310	\$29,333	12,231	3.1%	(4,079)
Aortic Heart Assist	286	Circulatory disorders except AMI, w card cath	MCC	\$14,087	50,172	\$14,549	41,073	3.3%	(9,099)
	287		None	\$7,353	51,797	\$7,547	36,809	2.6%	(14,988)
Heart Failure	291	Heart failure & shock	MCC	\$8,363	466,339	\$8,779	346,615	5.0%	(119,724)
	292		CC	\$5,694	28,940	\$5,918	17,764	3.9%	(11,176)
	293		None	\$3,890	5,791	\$3,843	2,939	-1.2%	(2,852)
Peripheral Vascular	299	Peripheral vascular disorders	MCC	\$10,106	19,588	\$10,550	15,865	4.4%	(3,723)
	300		CC	\$6,883	28,614	\$7,073	20,475	2.8%	(8,139)
	301		None	\$4,900	7,630	\$4,913	4,879	0.3%	(2,751)
Vascular: Other Kidney and Urinary Tract	673	Other kidney & urinary tract procedures	MCC	\$22,871	15,768	\$23,967	15,527	4.8%	(241)
	674		CC	\$15,715	7,334	\$16,260	6,673	3.5%	(661)
	675		None	\$11,571	474	\$11,568	347	-0.0%	(127)

Medicare IPPS Comparison Chart: FY 2022 vs. FY 2023

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 2023 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.



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REFERENCES

Hospital Inpatient Prospective Payment-Final Rule FY2022 Payment Rates. CMS-1752-F: <https://www.cms.gov/medicare/acute-inpatient-pps/fy-2022-ippf-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-2023-ippf-final-rule-home-page>

Tables created by Abbott Health Economics and Reimbursement team based on analysis of Medicare 2023 IPPS Final rule

Table(s) source:

1. Hospital Quality Net: Hospital Inpatient Overview (cms.gov) <https://qualitynet.cms.gov/inpatient>

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