

²⁰²⁵ 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, 2024, the Centers for Medicare & Medicaid Services (CMS) released the FY 2025 Final Inpatient Prospective Payment System (IPPS) Rule, effective for inpatient services on October 1, 2024. Abbott has analyzed and summarized the varying impact to individual FY 2024 Medicare Severity-Diagnosis Related Group.

(MS-DRG) payments for procedures supported by our technologies or therapy solutions. Please refer to the full FY 2025 Final IPPS Rule to fully understand the changes to individual MS-DRGs.

			Description		FY2024 Final Rule		FY2025 Interim Final Comment Rule				
BU	Technology	MS-DRG		Severity	Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Discharges)	
		216	Cardiac valve & other	MCC	\$67,953	5,376	\$68,875	5,413	1.4%	37	
		217	major cardiothoracic procedures with cardiac	CC	\$44,567	1,821	\$46,087	1,783	3.4%	-38	
		218	catheterization	NA	\$39,886	325	\$42,457	307	6.4%	-18	
	Surgical Valves	219	Cardiac valve & other	MCC	\$53,991	12,631	\$55,219	13,362	2.3%	731	
F	Surgical valves	220	major cardiothoracic procedures without	СС	\$36,721	10,418	\$37,800	10,405	2.9%	-13	
HEART		221	cardiac catheterization	NA	\$32,548	1,491	\$32,775	1,332	0.7%	-159	
		212	Concomitant aortic and mitral valve procedures	NA	\$75,412	900	\$77,745	927	3.1%	27	
DLD	Congenital	228	Other cardiothoracic procedures	MCC	\$35,279	4,232	\$35,563	4,501	0.8%	269	
STRUCTURAL	Defects- Ventricular Septal	229		CC-16, NA-17	\$22,262	5,146	\$22,168	5,502	-0.4%	356	
		266	Endovascular Cardiac	MCC	\$43,733	21,018	\$42,754	21,681	-2.2%	663	
	TEER and TAVR	267	Valve Replacement & Supplement Procedure	NA	\$34,169	38,197	\$33,575	39,799	-1.7%	1,602	

					FY2024	Crationary Crationary 5 7,475 \$27,90 11 42,864 \$22,27 NA \$44,14 6 16,959 \$36,63 9 12,220 \$24,58 0 4,044 \$17,85 6 1,612 \$27,75 0 4,044 \$17,85 6 1,612 \$27,75 0 4,539 \$16,23 0 6,406 \$13,08 9 804 \$60,47 0 465 \$43,59 0 10,187 \$55,778 4 9,952 \$37,96 4 10,825 \$41,99 5 15,600 \$29,34 7 40,895 \$20,31 7 40,895 \$20,31 7 56,809 \$12,91 7 2,109 \$30,35	F	FY2025 Interim Final Comment Rule			
BU	Technology	MS-DRG	Description	Severity	Payment		Payment	Discharges (National)	% Change (\$)	Change (Discharges)	
STRUCTURAL HEART	Atrial Septal,	273	Percutaneous	мсс	\$27,285	7,475	\$27,906	7,698	2.3%	223	
	PFO Closure and LAAC	274	intracardiac procedures	NA	\$22,691	42,864	\$22,273	50,623	-1.8%	7,759	
	LAAC + Ablation	317	Concomitant Left Atrial Appendage Closure & Cardiac Ablation	NA	NA	NA	\$44,149	1,851	NA	1,851	
RUC		270	Other major	MCC	\$35,406	16,959	\$36,632	16,606	,294 1.6%	-353	
ST	PDA	271	cardiovascular services	СС	\$24,199	12,220	\$24,581	12,294	1.6%	74	
		272		NA	\$17,080	4,044	\$17,857	3,918	4.5%	-126	
		034	Carotid artery stent	мсс	\$27,316	1,612	\$27,752	1,872	1.6%	260	
	Carotid	035	procedure	СС	\$16,100	4,539	\$16,234	5,407	0.8%	868	
		036		NA	\$12,660	6,406	\$13,082	7,752	3.3%	1,346	
		231	Coronary bypass with	мсс	\$56,819	804	\$60,474	709	6.4%	(\$) (Discharges) 2.3% 223 -1.8% 7,759 NA 1,851 3.5% -353 1.6% 74 4.5% -126 1.6% 260 0.8% 868 3.3% 1,346	
		232	PTCA	NA	\$41,650	465	\$43,595	380	4.7%	-85	
		233	Coronary bypass with	мсс	\$54,610	10,187	\$55,782	9,844	2.1%	Change (Discharges) 2.3% 223 1.8% 7,759 NA 1,851 3.5% -353 1.6% 74 4.5% -126 1.6% 260 0.8% 868 3.3% 1,346 6.4% -95 4.7% -85 2.1% -343 4.3% -749 2.0% 367 3.7% -120 0.9% -2,957 1.1% -2,685 4.9% 1,271 9.7% 1,460 10.3% 104	
	CABG	234	cardiac catheterization	NA	\$36,394	9,952	\$37,968	9,203	4.3%	-749	
		235	Coronary bypass	мсс	\$41,174	10,825	\$41,993	11,192	2.0%	367	
		236	without cardiac catheterization	NA	\$28,295	15,600	\$29,346	15,480	3.7%	-120	
AR		321	Percutaneous cardiovascular procedures with intraluminal device with mcc or 4+ arteries/intraluminal devices	МСС	\$20,127	40,895	\$20,316	37,938	0.9%	-2,957	
VASCULAR		322	Percutaneous cardiovascular procedures with intraluminal device without mcc	NA	\$12,767	56,809	\$12,911	54,124	(\$)(Discharges)2.3%223-1.8%7,759NA1,8513.5%-3531.6%744.5%-1261.6%2600.8%8683.3%1,3466.4%-954.7%-852.1%-3434.3%-7492.0%3673.7%-1200.9%-2,9571.1%-2,6854.9%1,2719.7%1,46010.3%104		
	Coronary (PCI)	323	Coronary intravascular lithotripsy with intraluminal device with mcc	МСС	\$28,987	2,109	\$30,397	3,380	4.9%	1,271	
		324	Coronary intravascular lithotripsy with intraluminal device without mcc	NA	\$20,785	2,186	\$22,802	3,646	9.7%	1,460	
		325	Coronary intravascular lithotripsy without intraluminal device	NA	\$18,514	409	\$20,425	513	10.3%	104	
		250	Percutaneous cardiovascular procedures without intraluminal device with mcc	МСС	\$16,459	3,476	\$16,504	3,312	0.3%	-164	

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BU	Technology	MS-DRG		Severity	Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Discharges)	
	Coronary	251	Percutaneous cardiovascular procedures without intraluminal device without mcc	NA	\$11,111	3,184	\$11,152	2,956	0.4%	-228	
		252		мсс	\$23,482	21,692	\$24,481	20,045	4.3%	-1,647	
	Peripheral	253		СС	\$17,862	16,915	\$18,220	16,437	2.0%	-478	
~	Vascular Revasculariza- tion	254	Other vascular procedures	NA	\$12,148	6,926	\$12,485	6,338	2.8%	-588	
LAF	Endovascular	252		мсс	\$23,482	21,692	\$24,481	20,045	4.3%	-1,647	
VASCULAR	and Dialysis Circuit	253	Other vascular	СС	\$17,862	16,915	\$18,220	16,437	2.0%	-478	
VAS	Circuit Mechanical Thrombectomy	254	procedures	NA	\$12,148	6,926	\$12,485	6,338	2.8%	-588	
	, Peripheral	270		мсс	\$35,406	16,959	\$36,632	16,606	3.5%	-353	
	Atherectomy,	271		СС	\$24,199	12,220	\$24,581	12,294	1.6%	74	
	Arterial & Venous Mechanical Thrombectomy, and Vascular Plugs	272	Other major cardiovascular services	NA	\$17,080	4,044	\$17,857	3,918	4.5%	-126	
	Thrombolysis	299	Peripheral vascular disorders	MCC	\$11,036	14,956	\$11,544	15,233	4.6%	277	
		300		СС	\$7,471	18,694	\$7,640	19,052	2.3%	358	
		301		NA	\$4,970	4,338	\$5,091	4,268	2.4%	-70	
	ICD Systems and CRT-D	275	Cardiac defibrillator implant with cardiac catherization and MCC	мсс	\$49,262	3,487	\$50,434	3,595	2.4%	108	
		276	Cardiac defibrillator implant with MCC	мсс	\$43,481	3,847	\$44,207	3,503	1.7%	-344	
		277	Cardiac defibrillator implant without MCC	NA	\$33,484	4,140	\$33,198	4,167	-0.9%	27	
4	Leadless	228	Other cardiothoracic	MCC	\$35,279	4,232	\$35,563	4,501	0.8%	269	
men	Pacemaker	229	procedures	NA	\$22,262	5,146	\$22,168	5,502	-0.4%	356	
nage	Deser	242	Democra i l'	MCC	\$24,191	15,987	\$24,207	15,532	0.1%	-455	
Mai	Pacemaker Systems; CRT-P	243	Permanent cardiac pacemaker implant	СС	\$15,947	18,901	\$16,077	19,876	0.8%	975	
,thm	, ,	244		NA	\$12,809	9,590	\$12,879	9,660	0.5%	70	
Cardiac Rhythm Management	ICDs	245	AICD generator procedures	NA	\$31,727	828	\$34,875	804	9.9%	-24	
Card		265	AICD lead procedures	NA	\$24,744	425	\$25,457	412	2.9%	-13	
	Pacemaker	258	Cardiac pacemaker	MCC	\$18,965	607	\$20,022	601	5.6%	-6	
	Generator Replacement	259	device replacement	NA	\$13,069	741	\$12,544	734	-4.0%	-7	
	Pacemaker	260		МСС	\$23,212	2,529	\$24,308	2,435	4.7%	-94	
	Revision and ICMs Implant (ICM for	261 262	Cardiac pacemaker revision except device replacement	CC NA	\$13,176 \$11,520	2,584 773	\$13,542 \$10,832	2,428 809	2.8% -6.0%	-156 36	
	syncope)	202	· · · · · · · · · · · · · · · · · · ·		φ11,32U	//3	φiU,032	009	-0.0%	50	

					FY2024	Final Rule	F	Y2025 Interim	Final Comment	nt Rule	
BU	Technology	MS-DRG	Description	Severity	Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Discharges)	
		040	Peripheral/Cranial	MCC	\$26,960	3,618	\$26,920	3,649	-0.1%	31	
CARDIAC RHYTHM MANAGEMENT	ICMs Implant (ICM for cryptogenic stroke)	041	Nerve and Other	СС	\$15,618	4,888	\$16,116	4,948	3.2%	60	
		042	Nervous System Procedures Generator implantation only or replacement (any type)	NA	\$12,181	1,655	\$12,543	1,493	3.0%	-162	
		280	Acute myocardial	MCC	\$11,108	83,895	\$11,714	86,632	5.5%	2,737	
W W		281	infarction, discharged	СС	\$6,392	35,238	\$6,578	36,259	2.9%	1,021	
H	Acute	282	alive	NA	\$5,028	14,831	\$5,175	14,831	2.9%	0	
RHY	Myocardial Infarction (AMI)	283		MCC	\$13,803	9,463	\$13,955	8,882	1.1%	-581	
AC		284	Acute myocardial	СС	\$5,179	729	\$5,288	673	2.1%	-56	
RDI.		285	infarction, expired	NA	\$3,422	192	\$4,006	146	17.1%	-46	
CAI		308	Cardiae archuthmia	MCC	\$8,417	52,120	\$8,606	49,978	2.2%	-2,142	
	Conduction	309	Cardiac arrhythmia and conduction	СС	\$5,214	60,170	\$5,276	64,283	1.2%	4,113	
	Disorders	310	disorders	NA	\$3,872	32,935	\$3,993		3.1%	876	
logy	Catheter	273	Percutaneous intracardiac	МСС	\$27,285	7,475	\$27,906	7,698	2.3%	223	
оізүна	Ablations	274	procedures	NA	\$22,691	42,864	\$22,273	50,623	-1.8%	7,759	
ELECTROPHYSIOLOGY	LAAC + Ablation	317	Concomitant Left Atrial Appendage Closure & Cardiac Ablation	NA			\$44,149	1,851		1851	
	Left Ventricular Assist Device (LVAD)	001	Heart Transplant or	MCC	\$189,734	1,844	\$201,024	1,990	6.0%	146	
		002	Implant of Heart Assist System	NA	\$85,728	41	\$78,642	54	-8.3%	13	
		003	ECMO or Tracheostomy with MV >96 Hours or PDX Except Face, Mouth and Neck with major O.R. procedure	NA	\$149,276	11,144	\$152,947	10,100	2.5%	-1,044	
		215	Other heart assist systems implant	NA	\$71,520	3,817	\$75,610	3,901	Itational) (S) (Dischall) 3,649 0.1% 31 4,948 3.2% 60 1,493 3.0% -161 36,632 5.5% 2,73 36,632 5.5% 2,73 36,632 5.5% 2,73 36,632 5.5% 2,73 36,632 5.5% 2,73 36,259 2.9% 1,02 14,831 2.9% 0 8,882 1.1% -58 673 2.1% -56 146 17.1% -46 49,978 2.2% -2,14 54,283 1.2% 4,11 33,811 3.1% 876 7,698 2.3% 223 50,623 -1.8% 7,75 1,851 185 1,990 6.0% 146 5,413 1.4% 37 5,413 1.4% 37 1,783 3.4% -38	84	
HEART FAILURE	Acute Mechanical	216	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with MCC	NA	\$67,953	5,376	\$68,875	5,413	1.4%	-1.8% 7,759 -1.8% 7,759 1851 1851 6.0% 146 -8.3% 13 2.5% -1,044 5.7% 84	
H	Circulatory System (MCS)	217	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization with CC	NA	\$44,567	1,821	\$46,087	1,783	3.4%	-38	
		218	Cardiac valve and other major cardiothoracic procedures with cardiac catheterization without CC/MCC	NA	\$39,886	325	\$42,457	307	6.4%	-18	

					FY2024	Final Rule	FY2025 Interim Final Comment Rule				
	Technology	MS-DRG	Description	Severity	Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Discharges)	
	Acute Mechanical Circulatory System (MCS)	219	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization with MCC	NA	\$53,991	12,631	\$55,219	13,362	2.3%	731	
HEART FAILURE		220	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization with CC	NA	\$36,721	10,418	\$37,800	10,405	2.9%	-13	
HEAR		221	Cardiac valve and other major cardiothoracic procedures without cardiac catheterization without CC/MCC	NA	\$32,548	1,491	\$32,775	1,332	0.7%	-159	
	PA Pressure Monitor	264	Other circulatory system operating room procedures	NA	\$22,867	8,310	\$24,943	8,303	9.1%	-7	
		023	System implant, multi-	MCC	\$39,691	12,418	\$40,715	12,293	2.6%	-125	
	Deep Brain Stimulation (DBS)	024	array, rechargeable or non-rechargeable, plus leads	NA	\$26,528	4,683	\$27,131	4,929	2.3%	246	
		025	Lead placement only,	MCC	\$30,919	22,306	\$31,917	22,540	3.2%	234	
		026	or lead revision OR System implant, single array generator plus leads	СС	\$20,676	6,499	\$21,828	6,313	5.6%	-186	
		027		NA	\$17,034	7,703	\$17,612	7,698	3.4%	-5	
		040		МСС	\$26,960	3,618	\$26,920	3,649	-0.1%	31	
		041	Generator only implant or replacement, single/	СС	\$15,618	4,888	\$16,116	4,948	3.2%	60	
N		042	multi array non- rechargeable or multi- array rechargeable	NA	\$12,181	1,655	\$12,543	1,493	3.0%	-162	
NEUROMODULATION		028	Whole System implantation or replacement(generator plus leads)	МСС	\$42,192	2,237	\$43,387	2,261	2.8%	24	
JEURO		029	Spinal procedures or spinal neurostimulators	сс	\$24,003	3,046	\$23,955	3,120	-0.2%	74	
		030	Spinal Procedures without CC/MCC	NA	\$16,237	972	\$15,882	880	-2.2%	-92	
	Spinal Cord Stimulation	040	Peripheral/Cranial	мсс	\$26,960	3,618	\$26,920	3,649	-0.1%	31	
	(SCS) for Pain	041	Nerve and Other Nervous System Procedures Generator	СС	\$15,618	4,888	\$16,116	4,948	3.2%	60	
		042	implantation only or replacement (any type)	NA	\$12,181	1,655	\$12,543	1,493	3.0%	-162	
		518	Back & neck procedures excluding spinal fusion, or disc device/neurostimulator	МСС	\$25,568	1,986	\$25,577	2,146	0.0%	160	

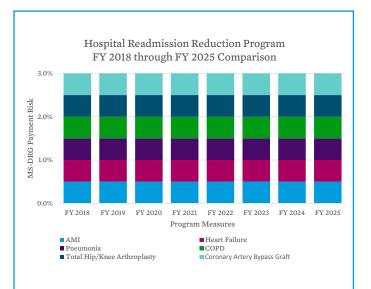
					FY2024	Final Rule	FY2025 Interim Final Comment Rule				
	Technology	MS-DRG	Description S	Severity	Payment	Discharges (National)	Payment	Discharges (National)	% Change (\$)	Change (Discharges)	
NO		519	Back and neck procedure except spinal fusion with CC	СС	\$13,783	6,875	\$14,073	7,141	2.1%	266	
NEUROMODULATION	Spinal Cord Stimulation (SCS) for Pain	520	Back and neck procedure except spinal fusion without CC/MCC	NA	\$10,023	4,051	\$10,228	4,008	2.0%	-43	
ROI		981		MCC	\$33,190	22,306	\$33,926	20,672	2.2%	-1,634	
4EU		982	Extensive OR procedure unrelated to	CC	\$17,406	9,924	\$17,472	9,956	0.4%	32	
		983	to principal Dx	NA	\$11,449	1,863	\$11,905	1,980	4.0%	117	
	Major Chest 163 164	163	Major chest procedures	MCC	\$33,003	11,457	\$32,894	12,752	-0.3%	1295	
		164		СС	\$17,857	14,308	\$17,963	14,999	0.6%	691	
		165		NA	\$13,138	6,726	\$13,302	6,935	1.2%	209	
	Aortic Heart Assist	268	Aortic and heart assist	MCC	\$47,994	2,687	\$47,584	2,751	-0.9%	64	
		269	procedures except pulsation balloon	NA	\$29,117	11,554	\$29,693	11,375	2.0%	-179	
S	Aortic Heart	286	Circulatory disorders	MCC	\$15,093	38,606	\$15,795	38,705	4.7%	99	
MISCELLANEOUS	Assist	287	except AMI, w card cath	NA	\$7,573	32,576	\$7,777	33,159	2.7%	583	
A N	Heart Failure 291	291		MCC	\$8,989	327,029	\$9,312	322,325	3.6%	-4,704	
EL		292	Heart failure & shock	CC	\$5,997	14,521	\$6,146	13,903	2.5%	-618	
VISC		293		NA	\$3,931	2,423	\$3,916	2,048	-0.4%	-375	
~	Peripheral	299		MCC	\$11,036	14,956	\$11,544	15,233	4.6%	277	
	Vascular	300	Peripheral vascular disorders	CC	\$7,471	18,694	\$7,640	19,052	2.3%	358	
		301		NA	\$4,970	4,338	\$5,091	4,268	2.4%	-70	
	Vascular: Other	673		MCC	\$25,892	14,883	\$29,899	11,076	15.5%	3,807	
	Kidney and Urinary Tract	674	Other kidney & urinary tract procedures	CC	\$16,679	5,957	\$16,474	8,518	-1.2%	2,561	
		675	tract procedures	NA	\$11,108	345	\$11,171	580	0.6%	235	

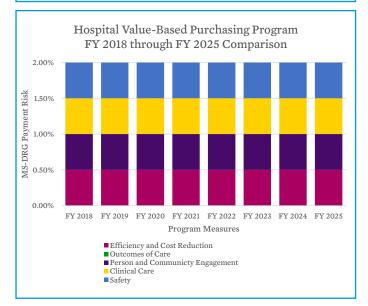
MEDICARE PAYMENT RISK CONTINUES

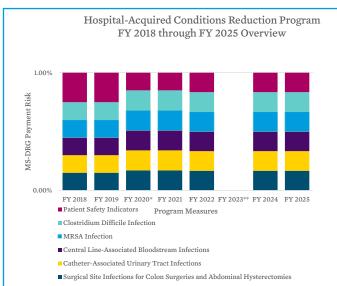
As planned, Medicare will continue the scope and level of potential penalties of its payment reform initiatives, including the Hospital Readmissions Reduction Program and the Value-Based Purchasing Program. Risk to inpatient MS-DRG payments will continue at 3% and 2% respectively. The FY 2018 through FY 2025 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.

**CMS paused the use of all measures from scoring and payment calculations in the FY 2023 program year.







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REFERENCES

Hospital Inpatient Prospective Payment-Final Rule FY2025 Payment Rates. CMS-1808-F: https://www.cms.gov/medicare/payment/prospective-payment-systems/acute-inpatient-pps/fy-2025-ipps-final-rule-home-page

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

Tables created by Abbott Health Economics and Reimbursement team based on analysis of Medicare 2025 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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