

# CMS Proposes Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System Changes for 2018

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On July 13, 2017, the Centers of Medicare and Medicaid Services (“CMS”) released a proposed rule that would update the 2018 Hospital Outpatient Prospective Payment System (“OPPS”) and Ambulatory Surgical Center (“ASC”) Payment System.

Although hospitals would see a two percent (2%) Medicare reimbursement increase in 2018 for services paid under the OPPS, the proposed rule would change how Medicare pays hospitals for drugs that are acquired under the 340B Drug Discount Program and could potentially add certain procedures to be reimbursed on the ASC payable list.

Under the 340B Drug Discount Program, hospitals would be reimbursed separately for administering payable, non-pass-through drugs bought at a discount through the program at average sales price less 22.5% rather than the program’s average sales price plus 6%.

Additionally, two new spine procedures would be added to the ASC center payable list: cervical artificial disc arthroplasty and second-level cervical discectomy. As stated in the proposed rule, CMS is also soliciting comments regarding whether total knee arthroplasty, partial hip arthroplasty and total hip arthroplasty surgeries should take place at ASCs. This request for information has drawn speculation regarding CMS’ intentions to continue its mandatory, bundled-payment Comprehensive Care for Joint Replacement (“CJR”) program.

CMS will accept comments on the proposed rule and the request for information until September 11, 2017.

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