

Medtronic

Engineering the extraordinary

CY2023 Medicare hospital inpatient prospective payment system (IPPS) updates & changes

Cardiac rhythm & heart failure, cardiac catheter ablations, and cardiac diagnostic services
(Based on Final Rule)

Updated for October 1, 2022

Medtronic Economics, Reimbursement, & Evidence

Disclaimer

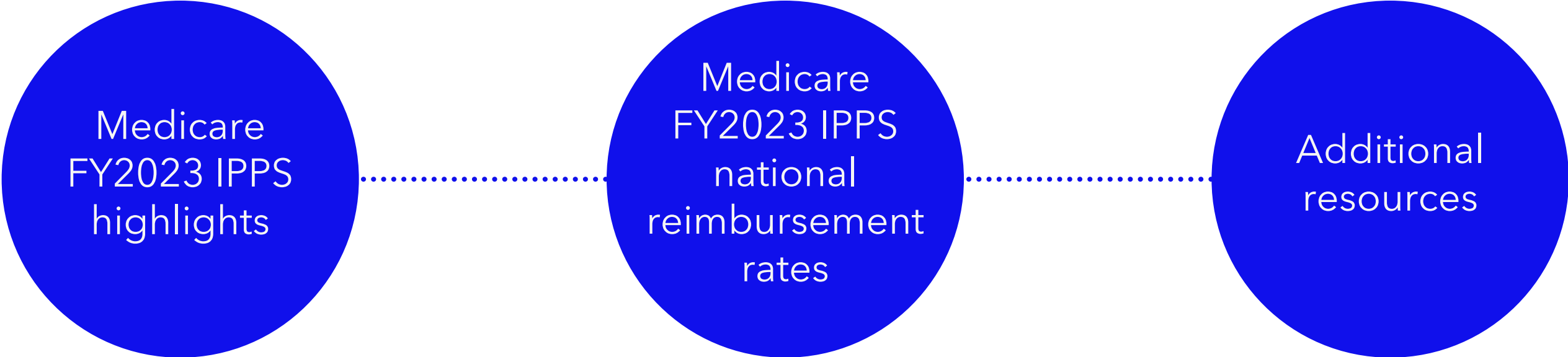
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FY2023 Medicare IPPS updates and changes

Topics



This slide deck is intended to provide an overview of the updates pertaining to coding, coverage, and Medicare reimbursement relating to cardiac rhythm, heart failure, cardiac catheter ablation procedures and therapies, and cardiac diagnostics when services are rendered in an inpatient hospital setting. We recommend checking with your payer for specific coding and billing requirements

Medicare FY2023 IPPS highlights

Changes in payment rates

CMS finalized a

4.3%

increase in operating payment rates for acute care hospitals that successfully participate in the hospital Inpatient Quality Reporting (IQR) program and meaningfully use EHRs

CMS estimates a total increase of approximately

\$2.6 billion

in overall inpatient prospective payment system payments

Inpatient Quality Reporting <https://qualitynet.cms.gov/inpatient/iqr>

Claims data for rate-setting



FY2023
is the first time
covid-era claims data
(from 2021) will be
used for rate-setting

CMS is returning to the practice of utilizing “**best available**” data when setting inpatient hospital payment rates for the upcoming fiscal year and beyond.

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Utilization patterns that may impact the total cost of care that may be reflected in the proposed rates could possibly include:

- ✔ Changes to volumes
- ✔ Changes to distribution of care across procedures and services
- ✔ Acuity of patients receiving care

Public NTAP applications

Beginning with
the FY 2024
application
cycle...

NTAP applications
and related
materials will be
publicly posted

If applicants withdraw
their submission before
the publication of the
proposed rule, CMS will
not post the application.

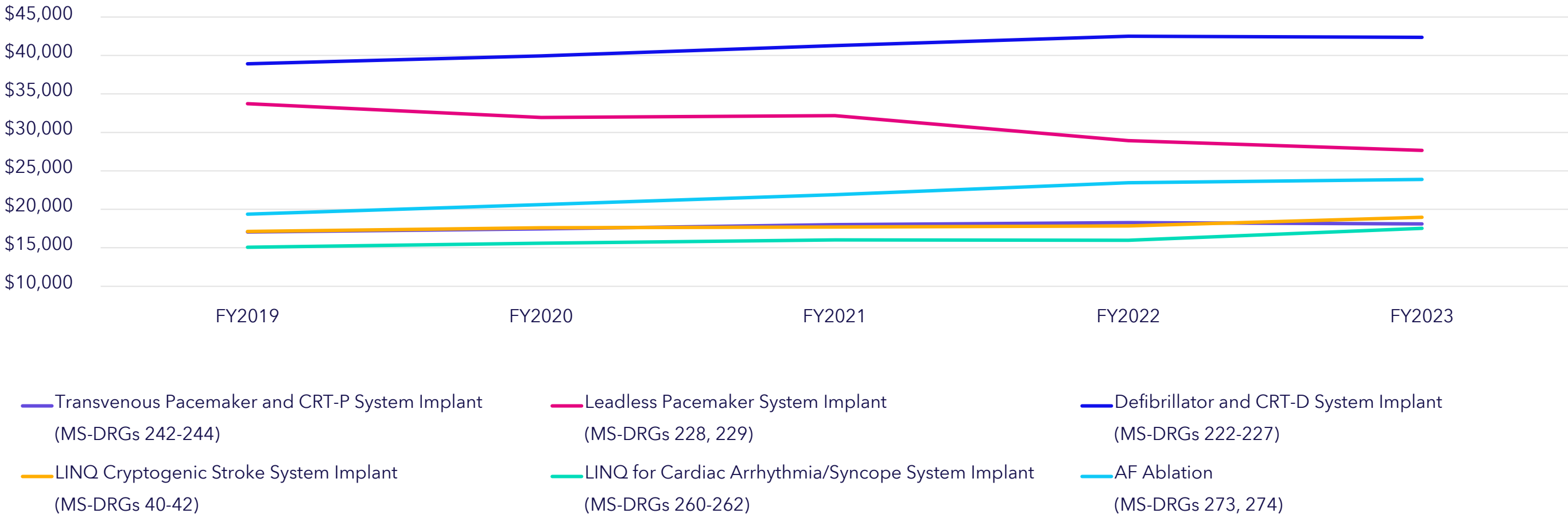
Medicare FY2023 IPPS national reimbursement summary & rates

National average Medicare rates over time

Procedures FY2019 - FY2023

Below is a summary of the national volume-weighted average rates across relevant MS-DRGs representing these procedures and the corresponding changes over time, from Federal Fiscal Year 2019 - 2023. These rates have increased slightly over this timeframe.

CMS MS-DRG Payments FY2019-2023



Rates represent the volume-weighted average rates across relevant DRGs representing these procedures.

Acute inpatient PPS, CMS <https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps>

IPPS rate changes for cardiac rhythm management and ablation therapies

FY2022 to FY2023

This highlights the percent of change in payment for major cardiac rhythm management, cardiac catheter ablation, and cardiac diagnostic service procedures between the IPPS 2022 payment year and 2023 payment year. This is a blend of all MS-DRGs associated with the typical case for the procedures listed. The following pages will walk through MS-DRG-specific changes. For information on which procedures fall into these MS-DRGs, please contact Medtronic Reimbursement Customer Support.

Transvenous pacemakers & CRT-P systems **-2.1%**

Leadless pacemakers **-1.8%**

ICD & CRT-D systems **0.4%**

Cardiac catheter ablations **6.2%**

Ventricular assist devices **1.7%**

Subcutaneous cardiac rhythm monitors **6.5%**
(arrhythmia & syncope)

5.9%
(stroke)

Rates represent the volume-weighted average rates across relevant DRGs representing these procedures.

Acute inpatient PPS, CMS <https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps>



Transvenous pacemakers

Insertion/Replacement

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
242	Permanent cardiac pacemaker implant w/ MCC	\$24,581	\$23,826	-3.1%
243	Permanent cardiac pacemaker implant w/ CC	\$16,608	\$16,079	-3.2%
244	Permanent cardiac pacemaker implant w/o CC/MCC	\$13,606	\$13,041	-4.2%

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
258	Cardiac pacemaker device replacement w/ MCC	\$20,891	\$19,558	-6.4%
259	Cardiac pacemaker device replacement w/o MCC	\$13,777	\$13,679	-0.7%

The IPPS FY2023 national payment rates are based on information published in the IPPS final rule CMS-1771-F and corresponding tables and data files which was published on August 1, 2022. IPPS Final Rule Home Page [cms.gov](https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page) <https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page> Updated August 2022. Accessed September 6, 2022.

Transvenous pacemakers

Revision

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
260	Cardiac pacemaker revision except device replacement w/ MCC	\$23,524	\$23,999	2.0%
261	Cardiac pacemaker revision except device replacement w/ CC	\$13,148	\$13,107	-0.3%
262	Cardiac pacemaker revision except device replacement w/o CC/MCC	\$11,251	\$11,502	2.2%

The IPPS FY2023 national payment rates are based on information published in the IPPS final rule CMS-1771-F and corresponding tables and data files which was published on August 1, 2022. IPPS Final Rule Home Page [cms.gov](https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page)
<https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page> Updated August 2022. Accessed September 6, 2022.

Leadless (intracardiac) pacemaker

Insertion

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
228	Other cardiothoracic procedures w/ MCC	\$35,149	\$33,806	-3.8%
229	Other cardiothoracic procedures w/o MCC	\$22,692	\$22,643	-0.2%

The projected distribution of procedures across MS-DRGs 228 and 229 is different for FY2022 compared to FY2021, with slightly greater weight given to MS-DRG 229 in FY2022. This shift will cause an overall average payment rate decrease of 12.5%.

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Implantable cardioverter defibrillators/CRT-D

Insertion

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
222	Cardiac defibrillator implant w/ cardiac cath w/ AMI, HF or shock w/ MCC	\$52,431	\$52,520	0.2%
223	Cardiac defibrillator implant w/ cardiac cath w/ AMI, HF or shock w/o MCC	\$38,237	\$35,798	-6.4%
224	Cardiac defibrillator implant w/ cardiac cath w/o AMI, HF or shock w/ MCC	\$49,583	\$48,628	-1.9%
225	Cardiac defibrillator implant w/ cardiac cath w/o AMI, HF or shock w/o MCC	\$37,045	\$34,693	-6.3%
226	Cardiac defibrillator implant w/o cardiac cath w/ MCC	\$43,291	\$43,907	1.4%
227	Cardiac defibrillator implant w/o cardiac cath w/o MCC	\$34,370	\$34,439	0.2%

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Implantable cardioverter defibrillators

Generator and lead procedures

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
245	AICD generator procedures	\$35,726	\$33,447	-6.4%
265	AICD lead procedures	\$22,193	\$23,200	4.5%

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Cardiac catheter ablation

Percutaneous

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
273	Percutaneous and other intracardiac procedures w/ MCC	\$25,234	\$27,527	9.1%
274	Percutaneous and other intracardiac procedures w/o MCC	\$21,673	\$23,044	6.3%

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Mechanical circulatory support

Insertion/Removal

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
001	Heart transplant or implant of heart assist system w/ MCC	\$190,661	\$193,068	1.3%
002	Heart transplant or implant of heart assist system w/o MCC	\$98,716	\$92,419	-6.4%

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
268	Aortic and heart assist procedures except pulsation balloon w/ MCC	\$45,918	\$47,473	3.4%
269	Aortic and heart assist procedures except pulsation balloon w/o MCC	\$28,455	\$29,333	3.1%

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Subcutaneous cardiac rhythm monitor

For cardiac diagnoses

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
260	Cardiac pacemaker revision except device replacement w/ MCC	\$23,524	\$23,999	2.0%
261	Cardiac pacemaker revision except device replacement w/ CC	\$13,148	\$13,107	-0.3%
262	Cardiac pacemaker revision except device replacement w/o CC/MCC	\$11,251	\$11,502	2.2%

The IPPS FY2023 national payment rates are based on information published in the IPPS final rule CMS-1771-F and corresponding tables and data files which was published on August 1, 2022. IPPS Final Rule Home Page [cms.gov](https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page)
<https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page> Updated August 2022. Accessed September 6, 2022.

Subcutaneous cardiac rhythm monitor

For use in patients with cryptogenic stroke

MS-DRG	MS-DRG description	FY 2022 national rate	FY 2023 national rate	Percent of change
040	Peripheral, cranial nerve and other nervous system procedures w/ MCC	\$25,485	\$25,987	2.0%
041	Peripheral, cranial nerve and other nervous system procedures w/ CC or peripheral neurostimulator	\$15,494	\$16,038	3.5%
042	Peripheral, cranial nerve and other nervous system procedures w/o CC/MCC	\$12,537	\$12,688	1.2%

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<https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-final-rule-home-page> Updated August 2022. Accessed September 6, 2022.

Additional resources

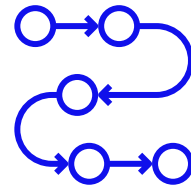


Reimbursement and economics tools and resources

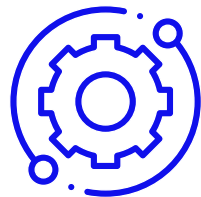
Contact your regional economic manager



U.S. Reimbursement, Health Policy and Payment Reform



Procedure and Service Line Economics



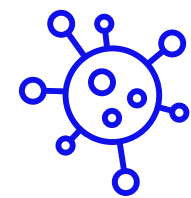
Economic Value of Medtronic Technology



Local Market Assessments



Value-Based Healthcare Partnerships



Disease State Economics

Visit our reimbursement website

www.medtronic.com/crhfreimbursement

Contact the reimbursement customer support team

By email:

rs.healthcareeconomics@medtronic.com

By phone:

866-877-4102

(M-F, 8 a.m. CT-5 p.m. CT)

Additional reimbursement resources

C-Code finder database

Search by:

- Product name
- Product category
- Model number

www.Medtronic.com/crhfcodes

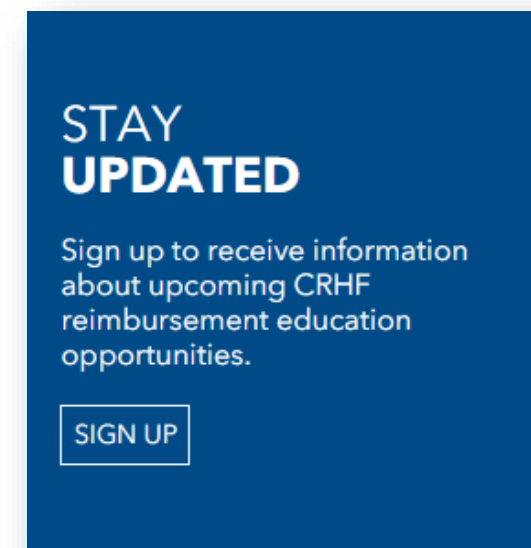
The screenshot shows the Medtronic website's C-Code Finder page for Cardiac Rhythm and Heart Failure. The page features a dark blue header with the Medtronic logo, a search bar, and a location indicator for the United States. Below the header is a navigation menu with options for Healthcare Professionals, Patients & Caregivers, Our Company, and Our Impact. The main content area includes a breadcrumb trail: Home > Healthcare Professionals > Reimbursement > Cardiac Rhythm & Heart Failure > C-Code Finder. A secondary navigation bar offers links to Coding Reference Guides, C-Code Finder, Policy, and Resources by Device Type. A prominent dark blue banner displays 'C-CODE FINDER' in white and 'CARDIAC RHYTHM AND HEART FAILURE' in yellow. The page is divided into two columns. The left column, titled 'SEARCH FOR C-CODES', provides a detailed description of the database, instructions on how to search and export results, and a 'Start over' link. The right column, titled 'CRHF REIMBURSEMENT SERVICES', lists the service hours (M-F 8:00 am to 5:00 pm CT), a phone number (866-877-4102), and an 'Email Us' link. At the bottom, there is a search criteria dropdown menu with the text '*Required' and '*Find your C-Code now'.

Reimbursement website

Stay updated

We are continuously making improvements to our Medtronic cardiovascular reimbursement websites.

In order to continue to receive up-to-date information about upcoming cardiovascular reimbursement educational opportunities, please complete the email sign up form linked below.



Click here to sign up! [Cardiovascular reimbursement educational email sign up form](#)

Appendix

Resource links



[CMS FY 2023 IPPS Final Rule Home Page](#)



[CMS Coverage Policies: MCD Search](#)



[CMS ICD-10-CM/PCS MS-DRG v40 Definitions Manual](#)



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