

Calendar Year (CY) 2024 Hospital Outpatient Prospective Payment System Final Rule

On November 2, 2023, the Centers for Medicare and Medicaid Services (CMS) released its CY 2024 Outpatient Prospective Payment System (OPPS) final rule.

For more information, see the summary below or find CMS' fact sheet [here](#). If you have any questions, please contact NRHA's Regulatory Affairs Manager Alexa McKinley (amckinley@ruralhealth.us).

Key provisions:

Payment update. CMS is finalizing a 3.1% payment update for OPPS hospitals. This is higher than the proposed 2.8% increase. NRHA is pleased to see that CMS finalized a higher payment update than originally proposed.

Hospital price transparency. CMS finalized several proposed policies regarding price transparency, including:

- Use of a standardized machine-readable file (MRF) from CMS. Hospitals must comply with this change by July 1, 2024.
- Hospitals must encode in its MRF all standard charge information for each of the following data elements by July 1, 2024:
 - Hospital name, license number, location name, and addresses to which the list of standard charges apply.
 - The version of the CMS template and date of most recent update to standard charge information in MRF.
- Requiring hospitals to affirm in the MRF that it is true, accurate, and complete.
- New enforcement changes:
 - Hospitals must submit an acknowledgment of receipt of a warning notice to CMS.
 - CMS may publicize on its website any information related to its assessment of hospital compliance and compliance actions taken against a hospital.

For more, see CMS' summary of price transparency changes [here](#).

Payment for IHS Facilities Converting to REH. In response to Indian Health Service (IHS) hospitals' concerns about converting to the rural emergency hospital (REH) model, CMS will pay IHS hospitals for outpatient services under the same all-inclusive rate (AIR) that would otherwise apply if these services were performed by an IHS or tribal hospital that is not an REH. CMS will update the OPPS claims processing interface to include an IHS-REH specific payment flag that would indicate the hospital should be paid the AIR. Additionally, IHS hospitals that convert to REH would receive the monthly facility payment.

Intensive Outpatient Program (IOP). CMS is finalizing its IOP provisions, created by Congress in the Consolidated Appropriations Act of 2023 (CAA, 2023). IOP services would be furnished at rural health clinics (RHCs), Federally Qualified Health Centers (FQHCs), Community Mental Health Centers (CMHCs), and opioid treatment programs. This rule finalizes most proposed provisions on scope of benefits, payment, physician certification, and other related requirements for IOP. The final rule also adds the new principal illness navigation services to the list of IOP codes. CMS is also finalizing its proposed payment for IOP services: Hospitals would receive \$284 for patients receiving 3 services

per day or \$368 for 4 or more services per day. RHCs would receive \$284 regardless of the number of services provided.

Remote mental health services. In the CY 2023 rule, CMS finalized three HCPCS C-codes to describe mental health services furnished by hospital staff to beneficiaries in their homes. CMS received feedback from interested parties on the administrative burden of documenting and reporting each unit of time using multiple codes. In response CMS is creating a new, untimed HCPCS code describing group therapy for individuals receiving remote mental health services furnished by hospital staff.

Supervision of certain services. CMS will allow nurse practitioners, physician assistants, and clinical nurse specialists to provide direct supervision for cardiac rehabilitation, intensive cardiac rehabilitation, and pulmonary rehabilitation. This includes virtual presence using audio/video real-time communications technology (excluding audio-only) through December 31, 2024.

OPPS payment for dental services. Last year, CMS finalized a policy to allow Medicare to pay for certain dental services that are inextricably linked to the clinical success of otherwise covered medical services. To ensure that dental services can be paid under the OPPS when consistent with the new policy, CMS is assigning additional dental codes to ambulatory payment classifications for CY 2024.

Rural Emergency Hospital Quality Reporting (REHQR) Program. CMS is finalizing the following four initial measures for REHQR, beginning in the CY 2024 reporting period:

- Abdomen CT – Use of Contrast Material;
- Median Time from Emergency Department (ED) Arrival to ED Departure for Discharged ED Patients;
- Facility 7-Day Risk-Standardized Hospital Visit Rate after Outpatient Colonoscopy; and
- Risk-Standardized Hospital Visits Within seven Days After Hospital Outpatient Surgery.

Hospital Outpatient Quality Reporting (OQR). CMS is modifying the following three measures to align with updated clinical guidelines:

- COVID-19 Vaccination Coverage Among Healthcare Personnel (HCP) measure to align with the updated Centers for Disease Control and Prevention (CDC) National Healthcare Safety Network measure specifications;
- Cataracts: Improvement in Patient’s Visual Function Within 90 Days Following Cataract Surgery; and
- Appropriate Follow-Up Interval for Normal Colonoscopy in Average Risk Patients measure to align with updated clinical guidelines.

CMS is also adding the following new measure:

- Risk-Standardized Patient-Reported Outcomes Following Elective Primary Total Hip and/or Total Knee Arthroplasty.