

2010 Inpatient Prospective Payment System Final Rule

GuidePoint

Simplifying Reimbursement

Cardiac Rhythm Management
and Electrophysiology

Updated March 2010

On July 31, 2009, the Centers for Medicare and Medicaid (CMS) released the FY2010 Inpatient Prospective Payment System (IPPS) final rule. Changes affecting Cardiac Rhythm Management (CRM) and Electrophysiology (EP) therapies are detailed below. The final rule will go into effect October 1, 2009.

IPPS Highlights

Hospital payment rates will increase by an average of 2.1%, rather than the 0.2% proposed earlier this year. CMS decided not to implement a 1.9% reduction, referred to as the coding adjustment or “claw back,” to account for hospitals improving their coding to increase payments in response to the implementation of the MS-DRG system in FY 2008.

Hospitals must continue to report quality measures to receive a full update. Hospitals not reporting quality measures will see a 2% drop in payments. CMS continues to consider adding a number of new quality measures for FY 2011 and FY 2012. One potential measure is “Hospital-specific risk-standardized complication rate following implantable cardioverter defibrillator (ICD) implantation among patients aged 18 years or older.”

Cardiac Rhythm Management

The weighted financial impact for CRM procedures was higher than last year.

- ICD and CRT-D system implant payment rates will **increase** by 1.25%.
- Pacemaker and CRT-P system implant payment rates will **increase** by 0.5%.
- ICD and CRT-D replacements will **increase** by 3.5%.
- Pacemaker and CRT-P system replacements will **increase** by 2.3%.

Electrophysiology

Overall, the weighted financial impact for cardiac ablation and EP study procedures will result in an **increase** of 1.5%.

2010 DRGs	Procedure	2010 Final Payment	2009 Payment	% Change	Weighted Avg Rate Change*
ICD and CRT-D System Implants					
222	ICD w card cath w AMI/HF/shock w MCC	\$47,957	\$48,011	0%	
223	ICD w card cath w AMI/HF/shock w/o MCC	\$35,180	\$34,906	1%	
224	ICD w card cath w/o AMI/HF/shock w MCC	\$42,670	\$44,155	-3%	
225	ICD w card cath w/o AMI/HF/shock w/o MCC	\$32,971	\$32,764	1%	
226	ICD w/o card cath w MCC	\$37,005	\$37,267	-1%	
227	ICD w/o card cath w/o MCC	\$28,560	\$27,741	3%	
Weighted Average ICD and CRT-D Implants % Change		\$32,495	\$32,092		1.25%
ICD Replacements					
245	AICD generator procedures	\$22,915	\$22,123	4%	
265	ICD lead procedures	\$12,667	\$12,268	3%	
Weighted Average ICD Replacements % Change		\$19,442	\$18,783		3.51%
Pacemaker System Implants					
242	PM System w MCC	\$20,283	\$20,561	-1%	
243	PM System w CC	\$14,550	\$14,374	1%	
244	PM system w/o CC w/o MCC	\$11,243	\$11,138	1%	
Weighted Average Pacemaker Implants % Change		\$14,107	\$14,050		0.41%
Pacemaker Revisions and PG Replacements					
258	PM Replacement w MCC	\$15,833	\$15,728	1%	
259	PM Replacement w/o MCC	\$9,719	\$9,383	4%	
260	PM Revision w MCC	\$18,631	\$18,935	-2%	
261	PM Revision w CC	\$8,297	\$7,985	4%	
262	PM Revision w/o CC w/o MCC	\$5,886	\$5,637	4%	
Weighted Average Pacemaker Rev/Repl % Change		\$10,009	\$9,780		2.34%
Cardiac Ablation/EP Study Procedures					
250	Perc cardiovasc proc w/o coronary artery stent w MCC	\$15,573	\$16,611	-6%	
251	Perc cardiovasc proc w/o coronary artery stent w/o MCC	\$9,303	\$8,905	4%	
Weighted Average Ablation/EP Study Procedures % Change		\$10,411	\$10,267		1.40%

*Base payment. Final rates may vary due to geographic wage differences.

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Additional Information

Read Medicare's press release

Read the full 2010 IPPS final rule

For questions related to the reimbursement of CRM and EP products, call 1.800.CARDIAC (227.3422) and ask for the Reimbursement Customer Support Line.

Sources

¹Centers for Medicare and Medicaid Services. CMS Announces Policy And Payment Rate Changes For Inpatient Stays In Acute Care And Long-Term Care Hospitals In Fiscal 2010. July 31, 2009. Available at: <http://www.cms.hhs.gov/apps/media/press/release.asp?Counter=3482&intNumPerPage=10&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=1%2C+2%2C+3%2C+4%2C+5&intPage=&showAll=&pYear=&year=&desc=&cboOrder=date>. Accessed July 31, 2009.

²Centers for Medicare and Medicaid Services. Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and Fiscal Year 2010 Rates; and Changes to the Long-Term Care Hospital Prospective Payment System and Rate Years 2010 and 2009 Rates. July 31, 2009. Available at: http://www.federalregister.gov/OFRUpload/OFRData/2009-18663_PI.pdf. Accessed July 31, 2009.

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Cardiac Rhythm Management

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