



CRMDx

Summary of Final Fiscal Year (FY) 2026 Medicare Policy and Payment Changes for the Inpatient Prospective Payment System (IPPS)

On July 31st, the Centers for Medicare and Medicaid Services (CMS) released the final FY2026 Hospital Inpatient Prospective Payment (IPPS) Rule. FY2026 reimbursement rates and policy updates are effective October 1, 2025. Overall, Medicare operating payment rates for hospital inpatient services will increase 2.6% on average in FY2026. Combined with other policy changes, CMS estimates that total hospital inpatient payments will increase ~ \$5B compared to FY2025.

The table on page 2 of this document shows the final FY2026 payment rates for selected CRMDx MS-DRGs compared to FY2025.

Payment Updates for Select Procedures of Interest

- Final CRMDx Payment Rates (% weighted averages shown):
 - ICD and CRT-D system implant payment rates will increase 1%.
 - ICD and CRT-D generator replacement and lead procedure payment rates will decrease 2%.
 - Pacemaker and CRT-P system implant payment rates will decrease 3%.
 - Leadless cardiac pacemaker payment rates will increase 2%.
 - Pacemaker and CRT-P generator replacement payment rates will increase 16%.
 - Pacemaker revisions will decrease 0.3%.
 - Insertion of subcutaneous cardiac rhythm monitor implant payment rates for:
 - Syncope will decrease 0.3% and
 - Cryptogenic Stroke (atrial fibrillation) will increase 2%.

FY2026 Medicare Final Rules Issued for Hospital Inpatient Prospective Payment System (IPPS)

Medicare Hospital Inpatient Payment Rates: FY2025 Final vs FY2026 Final

MS-DRG	DRG Description	FY2025 Final Rate*	FY2026 Final Rate**	FY2025 Final vs FY2026 Final	FY2025 Final vs FY2026 Final	FY2025 Final vs FY2026 Final
				\$	%	Weighted Avg. %
Cardiac Rhythm Management						
ICD Systems (transvenous and subcutaneous)						1%
275	Cardiac Defibrillator Implant With Cardiac Catheterization And MCC	\$50,434	\$51,886	\$1,452	3%	
276	Cardiac Defibrillator Implant with MCC Or Carotid Sinus Neurostimulator	\$44,207	\$43,709	(\$498)	-1%	
277	Cardiac Defibrillator Implant without MCC	\$33,198	\$33,608	\$410	1%	
ICD Replacements						-2%
245	AICD generator procedures	\$34,875	\$33,199	(\$1,676)	-5%	
265	AICD lead procedures	\$25,457	\$26,329	\$872	3%	
Pacemaker Systems						-3%
242	Permanent cardiac pacemaker implant with MCC	\$24,207	\$23,233	(\$974)	-4%	
243	Permanent cardiac pacemaker implant with CC	\$16,077	\$15,506	(\$571)	-4%	
244	Permanent cardiac pacemaker implant without CC/MCC	\$12,879	\$13,153	\$274	2%	
Pacemaker Replacements						16%
258	Cardiac Pacemaker Device Replacement with MCC	\$20,022	\$22,864	\$2,842	14%	
259	Cardiac Pacemaker Device Replacement without MCC	\$12,544	\$14,714	\$2,170	17%	
Pacemaker Revisions and Insertion of Subcutaneous Cardiac Rythmn Monitor (SCRM) - Syncope						-0.3%
260	Cardiac pacemaker revision except device replacement with MCC	\$24,308	\$23,670	(\$638)	-3%	
261	Cardiac pacemaker revision except device replacement with CC	\$13,542	\$13,757	\$215	2%	
262	Cardiac pacemaker revision except device replacement without CC/MCC	\$10,832	\$11,860	\$1,028	9%	
Insertion of Subcutaneous Cardiac Rhythm Monitor (SCRM) - Cryptogenic Stroke						2%
40	Peripheral, Cranial Nerve and Other Nervous System Procedures with MCC	\$26,920	\$28,097	\$1,177	4%	
41	Peripheral, Cranial Nerve and Other Nervous System Procedures with CC or Peripheral Neurostimulator	\$16,116	\$15,999	(\$117)	-1%	
42	Peripheral, Cranial Nerve and Other Nervous System Procedures without CC/MCC	\$12,543	\$12,572	\$29	0%	
Leadless Cardiac Pacemakers						2%
228	Other Cardiothoracic Procedures with MCC	\$35,563	\$36,001	\$438	1%	
229	Other Cardiothoracic Procedures without MCC	\$22,168	\$22,918	\$750	3%	

*FY2025 Final calculated rates assume the hospital submits quality data and is a meaningful EHR user.

**FY2026 Final calculated rates assume the hospital submits quality data and is a meaningful EHR user (2.6% increase).

Comments/Questions

If you have questions or would like additional information, contact: crm.reimbursement@bsci.com

Read the full FY2026 Final IPPS Rule (CMS-1833-F) at the following link: [FY 2026 IPPS Final Rule Home Page | CMS](#)

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