



Summary of FY2025 Medicare Final Rules for Hospital Inpatient Prospective Payment

Atrial Fibrillation Solutions

On August 1st, the Centers for Medicare and Medicaid Services (CMS) released the FY 2025 final rule for the Hospital Inpatient Prospective Payment System (IPPS). FY2025 reimbursement rates and policy updates are effective October 1, 2024. Overall, Medicare operating payment rates for hospital inpatient services will increase +2.9% on average in FY2025. Combined with other policy changes, CMS estimates that total hospital inpatient payments will increase around +\$3.2B compared to FY2024.

The table on page 2 of this document lists the proposed national average payment rates and percentage changes for selected Atrial Fibrillation Solutions (AFS) procedures.

Policy Updates

Concomitant MS-DRG 317 Finalized: CMS has affirmed BSC's request by finalizing the creation of new MS-DRG 317 for concomitant cardiac ablation and LAAC. The national unadjusted rate for the new MS-DRG 317 is \$44,026.

New PFA ICD-10-PCS Code Included in Concomitant MS-DRG: At the request of BSC, CMS has agreed to include the new ICD-10-PCS procedure code 02583ZF for ablation by irreversible electroporation (PFA), effective as of April 1, 2024, in the new concomitant MS-DRG 317 grouper logic, meaning that PFA is among the ablation procedures that will be paid for as part of a concomitant procedure.

FARAPULSE Eligible for NTAP: Pulsed Field Ablation (PFA) with FARAPULSE is eligible to receive New Technology Add on Payment (NTAP). CMS approved the NTAP submission for PFA. CMS affirmed that procedure codes under the ICD-10-PCS are not manufacturer-specific, and any hospital reporting the ICD-10-PCS code associated with NTAP would be eligible to receive an add-on payment. The maximum NTAP payment amount for PFA is \$6,337.50. The actual amount received by hospitals will depend on their reported costs relative to the payment rate for the associated DRG. Notably, not all Medicare Inpatient Fee-for-Service cases will qualify for NTAP; eligibility requires costs that exceed the MS-DRG payment for the case. Additionally, because the new ICD-10-PCS code for PFA was included in the concomitant MS-DRG 317, concomitant WATCHMAN and PFA cases would also be eligible for NTAP, if they qualify.

Payment Updates

Payment for standalone LAAC and inpatient ablation procedures decreased by a weighted average of -1.5%:

- MS-DRG 273: Payment rates increased +2%, final rate is \$27,828
- MS-DRG 274: Payment rates decreased -2%, final rate is \$22,211

Medicare Hospital Inpatient Payment Rates: FY2024 Final vs FY2025 Final						
MS-DRG	DRG Description	FY2024 Final Rate*	FY2025 Final Rate**	FY2024 Final vs FY2025 Final	FY2024 Final vs FY2025 Final	FY2024 Final vs FY2025 Final
				\$	%	Weighted Avg %
AF Solutions (AFS)						
Intracardiac Ablation and Watchman LAA Closure						
273	Percutaneous and Other Intracardiac Procedures with MCC	\$27,285	\$27,828	\$543	+2.0%	-1.5%
274	Percutaneous and Other Intracardiac Procedures without MCC	\$22,691	\$22,211	(\$480)	-2.1%	
Concomitant Watchman						
317	Concomitant Left Atrial Appendage Closure and Cardiac Ablation	NA	\$44,026	NA	NA	NA

*FY2024 Final calculated rates assume the hospital submits quality data and is a meaningful EHR user

*FY2024 Final payment rate is calculated using the 10% cap applied.

**FY2025 Final calculated rates assume the hospital submits quality data and is a meaningful EHR user (1.6% increase)

**FY2025 Final payment rate is calculated using the 10% cap applied.

Comments/Questions

If you have questions or would like additional information, contact:

WATCHMAN	AF Solutions
watchman.reimbursement@bsci.com	afs.reimbursement@bsci.com

Read the full FY2025 Final IPPS Rule (CMS-1808-F) at the following link: [FY 2025 IPPS Final Rule Home Page | CMS](#)

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