



PRACTICE GROUP

member briefing

To: Regulation, Accreditation, and Payment; Hospitals and Health Systems; *and* Teaching Hospitals and Academic Medical Centers
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Member Briefing--2013 Medicare IPPS/LTCH Final Rule

Each year, the Centers for Medicare & Medicaid Services (CMS) issues a massive Final Rule that updates Medicare payment policies and rates for inpatient stays in acute care hospitals and long term care hospitals (LTCHs) paid under their respective prospective payment systems (IPPS and LTCH-PPS). CMS has indicated that this Final Rule applies to approximately 3,400 acute-care hospitals and approximately 440 LTCHs. The Final Rule also finalizes the payment update that will be used to calculate target amounts for certain hospitals excluded from IPPS, such as cancer and children's hospitals, and religious nonmedical healthcare institutions. The changes adopted in the Final Rule are applicable to discharges that occur on or after October 1.

This Member Briefing, entitled, "[2013 Medicare IPPS/LTCH Final Rule](#)," discusses the significant changes included in this year's Final Rule. Some changes implement certain statutory provisions of the Patient Protection and Affordable Care Act of 2010 as well as other legislative requirements. Academic institutions will want to review the changes related to graduate medical education and indirect medical education regulations, especially those addressing resident caps. All facilities affected by IPPS will want to review the quality reporting changes. Other new initiatives include establishing requirements for both the Hospital Value-Based Purchasing Program and the Hospital Readmissions Reduction Program.

Practitioners whose clients are impacted by Medicare inpatient payment policies will find this summary a helpful guide to the Final Rule itself and in assessing and complying with CMS' payment and policy revisions for

2013.

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Member benefit educational opportunity:

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