

## HOSPITAL OUTPATIENT SERVICES GET 3.8% PAYMENT INCREASE

The Centers for Medicare and Medicaid Services (CMS) finalized a 3.8 percent payment increase for hospital outpatient services and ambulatory surgical centers in 2023 after hospitals expressed concerns that the agency's proposed 2.7 percent increase wouldn't be enough to counter rising inflation rates. These policies will affect approximately 3,500 hospitals and approximately 6,000 ASCs.

Although CMS is updating the 2023 hospital outpatient payment rates with a 3.8 percent overall increase, the Agency is cutting payment by 3.09 percent for non-drug outpatient services to cover the cost of restoring payment rates for 340B drugs to the level they were before CMS cut payment for them nearly 30 percent. The 340B drug pricing policy change results in a decrease to the final 2023 conversion factor to maintain budget neutrality and yields a reduction to all final 2023 outpatient payment rates compared to the proposed rule rates.