

Hospitals Unhappy With Site-Neutral Provisions In Outpatient Proposed Rule

Hospital lobbyists are unhappy with CMS' proposed treatment of site-neutral payment policies in the hospital outpatient prospective payment system proposed rule, which they say goes further than the law requires and ignores Congress' intent to create an alternative payment system for services provided in new outpatient facilities.

The hospital outpatient proposed rule implements a new law that pays lower physician office payment rates to physician practices that hospitals buy and turn into outpatient departments.

The American Hospital Association and America's Essential Hospitals criticized CMS for not paying higher hospital rates to outpatient facilities that hospitals relocate or rebuild.

CMS also included policies that hospitals like, although on balance hospitals are disappointed. CMS estimates that the updates in the proposed rule would increase pay by 1.6 percent for outpatient services.