



CRMDx

Summary of Final Fiscal Year (FY) 2025 Medicare Policy and Payment Changes for the Inpatient Prospective Payment system (IPPS)

On August 1st, the Centers for Medicare and Medicaid Services (CMS) released the final FY2025 Hospital Inpatient Prospective Payment (IPPS) Rule. 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 ~ \$3.2B compared to FY2024.

The table on page 2 of this document shows the final FY2025 payment rates for selected CRMDx MS-DRGs compared to FY2024.

- Key Policies:
 - CMS finalized revising the title of DRG 276 to “Cardiac Defibrillator Implant with MCC or Carotid Sinus Neurostimulator,” allowing for higher procedural payment for the implantation of the BAROSTIM™ System and better accounting for the resource utilization associated with that procedure, which was previously assigned to MS-DRGs 252, 253, or 254.
- Final CRMDx Payment Rates (% weighted averages shown):
 - ICD and CRT-D system implant payment rates will increase 0.9%.
 - ICD and CRT-D generator replacement and lead procedure payment rates will increase 7.7%.
 - Pacemaker and CRT-P system implant payment rates will remain flat at an increase of 0.2%.
 - Pacemaker and CRT-P generator replacement payment rates will increase 0.9%.
 - Pacemaker revisions will increase 2.8%.
 - Insertion of subcutaneous cardiac rhythm monitor implant payment rates for:
 - Syncope will increase 2.8%; and
 - Cryptogenic Stroke (atrial fibrillation) will increase 1.2%.
 - Leadless cardiac pacemaker payment rates will remain flat.

**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. %
Cardiac Rhythm Management						
ICD Systems (transvenous and subcutaneous)						1%
275	Cardiac Defibrillator Implant With Cardiac Catheterization And MCC	\$49,262	\$50,292	\$1,030	2%	
276	*New Title* Cardiac Defibrillator Implant With MCC or Carotid Sinus Neurostimulator	\$43,481	\$44,083	\$602	1%	
277	Cardiac Defibrillator Implant Without MCC	\$33,484	\$33,110	(\$374)	-1%	
ICD Replacements						8%
245	AICD generator procedures	\$31,727	\$34,777	\$3,050	10%	
265	AICD lead procedures	\$24,744	\$25,386	\$642	3%	
Pacemaker Systems						0%
242	Permanent cardiac pacemaker implant w MCC	\$24,191	\$24,141	(\$50)	0%	
243	Permanent cardiac pacemaker implant w CC	\$15,947	\$16,033	\$86	1%	
244	Permanent cardiac pacemaker implant w/o CC/MCC	\$12,809	\$12,844	\$35	0%	
Pacemaker Replacements						1%
258	Cardiac pacemaker device replacement w MCC	\$18,965	\$19,966	\$1,001	5%	
259	Cardiac pacemaker device replacement w/o MCC	\$13,069	\$12,509	(\$560)	-4%	
Pacemaker Revisions and Insertion of Subcutaneous Cardiac Rhythm Monitor (SCRM) - Syncope						3%
260	Cardiac pacemaker revision except device replacement w MCC	\$23,212	\$24,246	\$1,034	4%	
261	Cardiac pacemaker revision except device replacement w CC	\$13,176	\$13,504	\$328	2%	
262	Cardiac pacemaker revision except device replacement w/o CC/MCC	\$11,520	\$10,802	(\$718)	-6%	
Insertion of Subcutaneous Cardiac Rhythm Monitor (SCRM) - Cryptogenic Stroke						1%
40	Peripheral/Cranial Nerve and Other Nervous System Procedures with MCC	\$26,960	\$26,844	(\$116)	-0.4%	
41	Peripheral/Cranial Nerve and Other Nervous System Procedures with CC or Peripheral Neurostimulator	\$15,618	\$16,075	\$457	3%	
42	Peripheral/Cranial Nerve and Other Nervous System Procedures without CC/MCC	\$12,181	\$12,508	\$327	3%	
Leadless Cardiac Pacemakers						0%
228	Other Cardiothoracic Procedures w MCC	\$35,279	\$35,463	\$184	1%	
229	Other Cardiothoracic Procedures w/o MCC	\$22,262	\$22,106	(\$156)	-1%	

FY2025 Medicare Final Rules Issued for Hospital Inpatient Prospective Payment System (IPPS)

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

**FY2025 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)

Comments/Questions

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

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

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