

CAPITOL STREET

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Hospitals +2.8% Proposed 2024 Pay

340B Pay Restoration & Site Neutral Policy Comes Later While LTCH -2.5%

Relevant Companies



Today, the CMS issued the proposed IPPS and LTCH payment rules ([here](#)). These are payment rates and policies that would be for FY 2024 (starts Oct 1, 2023). Comments are due by June 9, 2023. Final rates will be released on or around August 1, 2023.

»» Our Take & Next Up

CMS hospital pay is healthy and the rule is less complicated than FY23 rules (DSH changes, etc) so this is generally good news for hospitals and more challenging for LTCH beds. With comments due June 9, CMS will publish a final rule on or before August 1. New policies and rates start Oct 1, 2023 (FY24). We could see small tweaks between now and the final rule.

»» Key Points

OVERALL UPDATE – POSITIVE INPATIENT HOSPITALS & NEGATIVE LTCH PAY '24

CMS will provide a +2.8% proposed 2024 pay bump to all hospitals (proprietary & voluntary) (THC, UHS, HCA, CYH, others). This is on par with our preview of ~3% in 2024 ...

Contact us to keep reading and learn more.

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