

CAPITOL STREET

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Inpatient Pay +2.6% In 2025

Surgical Mandatory Pay Bundle & New Sickle Cell Program

Relevant Companies



UHS Universal Health Services, Inc.

On April 10, 2024, the Centers for Medicare and Medicaid Services (CMS) released the proposed FY 2025 hospital inpatient rule (IPPS) and long-term acute care hospital (LTCH) payment rules ([here](#)). Comments are due by June 10. Final rules are likely in August.

»» Our Take & Next Up

The 2025 pay proposal is in line with expectations (+2.6%) but was quickly criticized by hospitals as not considering inflation, operational costs, persistent labor shortages and aging demographics. CMS proposed pay will provide a + 2.4% pay bump to all hospitals (proprietary & voluntary). New rates start Oct 1, 2024, the start of FY25. We don't see much changing between now and the final rule.

»» Key Points

OVERALL PAY UPDATE (IPPS): **Proprietary hospitals will see pay +2.6% in 2025.** The overall update for...

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