

CAPITOL STREET

April 15, 2024

CMS Slips Mandatory Surgical Demo '26 In Hospital Rule

Savings to FFS are Minimal (<\$1 B) & Arise Via Post-Acute Versus Surgery Techniques

Relevant Companies



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CMS announced ([here](#)) a mandatory surgical demo (2026 start) in select regions of the country with minimal savings (<\$1B) expected over five years, largely from post-acute care savings. CMMI is under pressure to provide concrete savings to the Medicare program as only a handful of demonstrations (out of ~60 programs at CMMI) have saved the program dollars while maintaining or improving quality. We note that the savings come primarily from post-acute care savings versus better techniques for Medicare beneficiaries undergoing expensive surgeries. The agency is asking for comments before finalizing the program. Link to IPPS [here](#).

»» Key Points

Last week, CMS announced the Transforming Episode Accountability Model (TEAM), a mandatory...

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