

Expanded Behavioral Health Access, Enhanced Price Transparency, and the 340B Remedy in the CY 2024 Hospital Outpatient and Ambulatory Surgical Center Final Payment Rule

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The Centers for Medicare & Medicaid Services (CMS) has announced new measures to enhance access to behavioral health services for Medicare beneficiaries and improve hospital price transparency as part of the final rule for the calendar year 2024 Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center. The final rule also includes a 3.1% update in payment rates for hospital outpatient and ASC services and sets forth the remedy for 340B payments to qualifying hospitals.

For behavioral health conditions, Medicare continues to cover inpatient psychiatric admissions, partial hospitalization programs, and outpatient therapy. The [final rule](#) addresses the coverage gap for patients that require more than outpatient therapy but less than inpatient-level care. Starting in 2024, Medicare will cover intensive outpatient program services for individuals with acute behavioral health needs, encompassing mental health conditions, and substance use disorders across various settings.

CMS is also strengthening hospital price transparency regulations by finalizing new changes to increase standardization of the machine-readable

files. CMS finalized a requirement for hospitals to display their standard charge information using a CMS template and data dictionary. According to CMS, the available templates will be similar to the sample templates that are currently on the CMS hospital price transparency website. CMS also finalized a requirement that each hospital is to make a good faith effort to ensure the data in the machine-readable file is accurate and to affirm the accuracy to the best of its knowledge and belief. Further, CMS finalized several regulatory additions and modifications to its enforcement provisions but noted a phased implementation timeline with respect to the changes it finalized. Thus, while the effective date of all of the changes to the hospital price transparency regulations will be Jan. 1, 2024, the regulation text will specify later compliance dates.

Lastly, CMS finalized its proposal to make a one-time lump-sum payment to affected 340B hospitals in an amount equal to the difference between what they were paid for 340B drugs for 2018–2022 and what they would have been paid had the 340B payment policy not applied. CMS is accounting for Medicare beneficiary cost-sharing in the lump-sum payments, and thus providers may not bill Medicare beneficiaries for any cost-sharing.

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