

Finding Medicare Fee-For-Service (FFS) Payment System Rules: Schedules and Resources

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Finding Medicare Fee-For-Service (FFS) Payment System Rules: Schedules and Resources

The Medicare Fee-For-Service (FFS) program pays physicians, hospitals, and other health care facilities based on statutorily established payment systems, most of which are updated annually through regulations. Medicare FFS proposed and final rules follow schedules based on requirements found in statute, regulation, or both.

As Medicare FFS payment system proposed and final rules are issued, they impact payments received by health care facilities and providers. Congressional Members and committees may comment, and are often contacted by provider and beneficiary groups. Tracking the status and requirements for specific rules can be onerous, since they have different schedules and web locations.

This report contains information on these payment system rules in a quick reference table. Specifically, the table compiles the payment systems, their main portals on the Centers for Medicare & Medicaid Services (CMS) website, the typical rulemaking schedule, statutory and regulatory requirements, and the most recently issued proposed rules, public comments, final rules, and subsequent corrections. The table also includes embedded links to the applicable resources. Not all payment systems include detailed statutory and regulatory requirements, as noted in the table.

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Introduction

The Medicare Fee-For-Service (FFS) program pays physicians, hospitals, and other health care facilities based on statutorily established payment systems, most of which are updated annually through regulations. Medicare FFS proposed and final rules follow schedules based on requirements found in statute, regulation, or both. Medicare payment systems that follow annual regulatory updates with comment periods include the following:

- Medicare Physician Fee Schedule Payment (MPFS or PFS),
- Hospital Outpatient Prospective Payment System (OPPS),
- Ambulatory Surgical Center Payment System (ASC Payment System),
- Acute Inpatient Prospective Payment System (IPPS),
- Long-Term Care Hospital Prospective Payment System (LTCH PPS),
- Skilled Nursing Facility Prospective Payment System (SNF PPS),
- Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS),
- Inpatient Psychiatric Facility Prospective Payment System (IPF PPS),
- Home Health Prospective Payment System (Home Health PPS),
- End Stage Renal Disease Prospective Payment System (ESRD PPS), and
- Hospice Wage Index and Payment Rate.

As Medicare FFS payment system proposed and final rules are issued, they impact payments received by health care facilities and providers. Congressional Members and committees may comment, and are often contacted by provider and beneficiary groups. Tracking the status and requirements for specific rules can be onerous, because they have different schedules and web locations. This report contains information on these payment system rules in a quick reference table.

To learn more about these payment systems, please see applicable sections of CRS Report R40425, *Medicare Primer*. In addition, the Medicare Payment Advisory Commission (MedPAC) produces *Payment Basics*,¹ a series of brief overviews of how Medicare's payment systems function.

For information on rulemaking, see CRS In Focus IF10003, *An Overview of Federal Regulations and the Rulemaking Process*, and other related CRS products. In addition to general rulemaking procedures set forth in the Administrative Procedure Act (APA),² Medicare rulemaking is subject to requirements outlined in statute.³

Medicare Fee-For-Service Payment System Rules: Schedules and Resources

Medicare FFS payment system rules and the associated statutory and regulatory requirements regarding timeline and public comment can be difficult to locate. **Table 1** compiles the payment

¹ MedPAC, *Payment Basics*, at <https://www.medpac.gov/document-type/payment-basic/>.

² See the "Administrative Procedure Act" section of CRS Report RL32240, *The Federal Rulemaking Process: An Overview*.

³ 42 U.S.C. §1395hh.

systems; their main portals on the Centers for Medicare & Medicaid Services (CMS) website; the typical rulemaking schedule; statutory and regulatory requirements; and the most recently issued proposed and final rules, including agency docket numbers, *Federal Register* citations, public comments available on Regulations.gov, and any corrections issued. The table also includes embedded links to the applicable resources and notes when rulemaking timelines and comment periods are not specified. Not all payment systems include detailed statutory and regulatory requirements, as noted in the table.

Table I. Medicare Fee-For-Service (FFS) Payment System Rules: Schedules and Resources

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment		Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory	
Payment Policies Under the Physician Fee Schedule					
Medicare Physician Fee Schedule Payment (PFS)	July-August	November	42 U.S.C. §1395w-4: Payment for physicians' services (b)(1) "Before November 1 of the preceding year, for each year beginning with 1998, subject to subsection (p), the Secretary shall establish, by regulation, fee schedules that establish payment amounts for all physicians' services furnished in all fee schedule areas (as defined in subsection (j)(2)) for the year." Note: Public comment is not addressed broadly for PFS in statute. However, public comment is addressed for aspects of the physician payment system, such as the development of categories and codes.	N/A	2025 Final Rule (12/9/2024) CMS-1807-F 89 FR 97710 2025 Proposed Rule (7/31/2024) CMS-1807-P 89 FR 61596 Comments: Regulations.gov CMS-2024-0256-0045 2024 Final Rule (11/16/2023) CMS-1784-F 88 FR 78818 Corrections: 89 FR 9776 (2/12/2024) 2024 Proposed Rule (8/7/2023) CMS-1784-P 88 FR 52262 Comments: Regulations.gov CMS-2023-0121
Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems					
Hospital Outpatient Prospective Payment System (OPPS)	July-August	November -December	42 U.S.C. §1395l: Payment of benefits	42 C.F.R. §419.50 Annual review.	2025 Final Rule (11/27/2024) CMS-1809-FC

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment		
	Proposed Rule	Final Rule	Statutory	Regulatory	Most Recently Issued Rule(s)
			(t) Prospective payment system for hospital outpatient department services Note: Specific timelines for rulemaking and comments are not addressed in statute.		89 FR 93912 2025 Proposed Rule (7/22/2024) CMS-1809-P 89 FR 59186 Comments: Regulations.gov CMS-2024-0199-0002
Ambulatory Surgical Center (ASC) Payment System	July-August	November-December	42 U.S.C. §1395l: Payment of benefits (i) Outpatient surgery "Taking into account the recommendations in the report under section 626(d) of Medicare Prescription Drug, Improvement, and Modernization Act of 2003, the Secretary shall implement a revised payment system for payment of surgical services furnished in ambulatory surgical centers." Note: Specific timelines for rulemaking and comments beyond the initial year are not addressed in statute.	42 C.F.R. §416.130 Publication of revised payment methodologies. "Whenever CMS proposes to revise the payment rate for ASCs, CMS publishes a notice in the Federal Register describing the revision. The notice also explains the basis on which the rates were established. After reviewing public comments, CMS publishes a notice establishing the rates authorized by this section. In setting these rates, CMS may adopt reasonable classifications of facilities and may establish different rates for different types of surgical procedures."	2024 Final Rule (11/22/2023) CMS-1786-FC 88 FR 81540 Corrections: 89 FR 9002 (2/9/2024) 2024 Proposed Rule (7/31/2023) CMS-1786-P 88 FR 49552 Comments: Regulations.gov CMS-2023-0120 Corrections: 88 FR 57029 (8/22/2023)
Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System					
Acute Inpatient Prospective Payment System (IPPS)	April-May	August-October	42 U.S.C. §1395ww: Payments to hospitals for inpatient hospital services (e)(1)(C)(5) "The Secretary shall cause to have published in the Federal	42 C.F.R. §412.8 Publication of schedules for determining prospective payment rates. "(b) Annual publication of schedule for determining prospective payment rates. (1) CMS proposes changes in the methods, amounts, and factors used to determine	2026 Proposed Rule (4/30/2025) CMS-1833-P 90 FR 18002 Comments: Regulations.gov CMS-2025-0028

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment		Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory	
			Register, not later than- (A) the April 1 before each fiscal year (beginning with fiscal year 1986), the Secretary's proposed recommendations under paragraph (4) for that fiscal year for public comment, and (B) the August 1 before such fiscal year after such consideration of public comment on the proposal as is feasible in the time available, the Secretary's final recommendations under such paragraph for that year."	inpatient prospective payment rates in a Federal Register document published for public comment not later than the April 1 before the beginning of the Federal fiscal year in which the proposed changes would apply. (2) Except as provided in paragraph (c) of this section, CMS publishes a Federal Register document setting forth final methods, amounts, and factors for determining inpatient prospective payment rates not later than the August 1 before the Federal fiscal year in which the rates would apply."	2025 Final Rule (8/28/2024) CMS-1808-F 89 FR 68986 2025 Proposed Rule (5/2/2024) CMS-1808-P 89 FR 35934 Comments: Regulations.gov CMS-2024-0131-0025
Long-Term Care Hospital Prospective Payment System (LTCH PPS)	April-May	August-October	42 U.S.C. §1395ww: Payments to hospitals for inpatient hospital services (m) Prospective payment for long-term care hospitals Note: Specific timelines for rulemaking and comments for Long-Term Care Hospital PPS are not addressed in statute.	42 C.F.R. §412.535 Publication of the Federal prospective payment rates. "Except as specified in paragraph (b), CMS publishes information pertaining to the long-term care hospital prospective payment system effective for each annual update in the Federal Register. (c) For the period beginning on or after October 1, 2009, information on the unadjusted Federal payment rates and a description of the methodology and data used to calculate the payment rates are published on or before August 1 prior to the start of the Federal fiscal year which begins October 1, unless for good cause it is published after August 1, but before September 1. (d) Information on the LTC-DRG classification and associated weighting factors is published on or before August 1 prior to the beginning of each Federal fiscal year."	2024 Final Rule (8/28/2023) CMS-1785-F 88 FR 58640 Corrections: 88 FR 68482 (10/4/2023) and 88 FR 77211 (11/9/2023) 2024 Proposed Rule (5/1/2023) CMS-1785-P 88 FR 26658 Comments: Regulations.gov CMS-2023-0057

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment		Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory	
Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities (SNF)					
Skilled Nursing Facility Prospective Payment System (SNF PPS)	April-May	August	42 U.S.C. §1395yy: Payment to skilled nursing facilities for routine service costs (e)(4)(H) “The Secretary shall provide for publication in the Federal Register, before May 1, 1998 (with respect to fiscal period described in subparagraph (E)(i)) and before the August 1 preceding each succeeding fiscal year (with respect to that succeeding fiscal year), of- (i) the unadjusted Federal per diem rates to be applied to days of covered skilled nursing facility services furnished during the fiscal year, (ii) the case mix classification system to be applied under subparagraph (G)(i) with respect to such services during the fiscal year, and (iii) the factors to be applied in making the area wage adjustment under subparagraph (G)(ii) with respect to such services.” Note: The timelines for the proposed rule and comments are not addressed in statute.	42 C.F.R. §413.345 Publication of Federal prospective payment rates. "CMS publishes information pertaining to each update of the Federal payment rates in the Federal Register. This information includes the standardized Federal rates, the resident classification system that provides the basis for case-mix adjustment, and the factors to be applied in making the area wage adjustment. This information is published before May 1 for the fiscal year 1998 and before August 1 for the fiscal years 1999 and after."	2026 Proposed Rule (4/30/2025) CMS-1827-P 90 FR 18590 Comments: Regulations.gov CMS-2025-0031 2025 Final Rule (8/6/2024) CMS-1802-F 89 FR 64048 2025 Proposed Rule (4/3/2024) CMS-1802-P 89 FR 23424 Comments: Regulations.gov CMS-2024-0116-0002 2024 Final Rule (8/7/2023) CMS-1779-F 88 FR 53200 Corrections: 88 FR 68486 (10/4/2023) and 89 FR 25144 (4/10/2024) 2024 Proposed Rule (4/10/2023) CMS-1779-P 88 FR 21316

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment			Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory		
						Comments: Regulations.gov CMS-2023-0048
Inpatient Rehabilitation Facility Prospective Payment System						
Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS)	April-May	August	42 U.S.C. §1395ww: Payments to hospitals for inpatient hospital services (j)(5) “The Secretary shall provide for publication in the Federal Register, on or before August 1 before each fiscal year (beginning with fiscal year 2001), of the classification and weighting factors for case mix groups under paragraph (2) for such fiscal year and a description of the methodology and data used in computing the prospective payment rates under this subsection for that fiscal year.” 			

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment			Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory		
						Comments: Regulations.gov CMS-2023-0047
Inpatient Psychiatric Facilities Prospective Payment System						
Inpatient Psychiatric Facilities Prospective Payment System (IPF PPS)	April-May	August	42 U.S.C. §1395ww: Payments to hospitals for inpatient hospital services (s) Prospective payment for psychiatric hospitals Note: Specific timelines for rulemaking and comments for Inpatient Psychiatric Facility PPS are not addressed in statute. Deadlines for quality measures are specified.	42 C.F.R. §412.428 Publication of changes to the inpatient psychiatric facility prospective payment system. “CMS will issue annually in the Federal Register information pertaining to changes to the inpatient psychiatric facility prospective payment system.”		2026 Proposed Rule (4/30/2025) CMS-1831-P 90 FR 18494 Comments: Regulations.gov CMS-2025-0029
						2025 Final Rule (8/7/2024) CMS-1806-F 89 FR 64582
						2025 Proposed Rule (4/3/2024) CMS-1806-P 89 FR 23146 Comments: Regulations.gov CMS-2024-0119-0002
						2024 Final Rule (8/2/2023) CMS-1783-F 88 FR 51054 Corrections: 88 FR 68491 (10/4/2023)
						2024 Proposed Rule (4/10/2023) CMS-1783-P 88 FR 21238

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment			Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory		
						Comments: Regulations.gov CMS-2023-0053
Home Health Prospective Payment System						
Home Health Prospective Payment System (Home Health PPS)	July	November	42 U.S.C. §1395fff: Prospective payment for home health services Note: Specific timelines for rulemaking and comments for Home Health PPS are not addressed in statute.	42 C.F.R. §484.225 Annual update of the unadjusted national, standardized prospective payment rates. “CMS annually updates the unadjusted national, standardized prospective payment rate on a calendar year basis (in accordance with section 1895(b)(1)(B) of the Act).” ^b	2025 Final Rule (11/7/2024) CMS-1803-F 89 FR 88354	
					2025 Proposed Rule (7/3/2024) CMS-1803-P 89 FR 55312	
					Comments: Regulations.gov CMS-2024-0190-0002	
					2024 Final Rule (11/13/2023) CMS-1780-F 88 FR 77676 Corrections: 89 FR 6019 (1/31/2024)	
					2024 Proposed Rule (7/10/2023) CMS-1780-P 88 FR 43654 Comments: Regulations.gov CMS-2023-0113	
End-Stage Renal Disease Prospective Payment System						
End-Stage Renal Disease Prospective Payment System (ESRD PPS)	July	November	42 U.S.C. §1395rr: End stage renal disease program	42 C.F.R. §413.196 Notification of changes in rate-setting methodologies and payment rates.	2025 Final Rule (11/12/2024) CMS-1805-F 89 FR 89084	

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment		Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory	
			Note: Specific timelines for rulemaking and comments for ESRD PPS are not addressed in statute.	“(b) Changes in payment rates resulting from incorporation of updated cost data or general revisions of geographic labor cost adjustment factors are announced by notice published in the Federal Register without opportunity for prior comment. Revisions of the rate-setting methodology are published in the Federal Register in accordance with the Department’s established rulemaking procedures.”	<p><i>2025 Proposed Rule</i> (7/5/2024) CMS-1805-P 89 FR 55760 Comments: Regulations.gov CMS-2024-0189-0002</p> <p><i>2024 Final Rule</i> (11/6/2023) CMS-1782-F 88 FR 76344</p> <p><i>2024 Proposed Rule</i> (6/30/2023) CMS-1782-P 88 FR 42430 Comments: Regulations.gov CMS-2023-0110</p>
Hospice Wage Index and Payment Rate					
Hospice Wage Index and Payment Rate	April-May	August	<p>42 U.S.C. §1395f: Conditions of and limitations on payment for services</p> <p>(i) Payment for hospice care</p> <p>Note: Specific timelines for rulemaking and comments for hospice payment rates are not addressed in statute.</p>	<p>42 C.F.R. §418.306 Annual update of the payment rates and adjustment for area wage differences.</p> <p>“(b) Annual update of the payment rates. The payment rates for routine home care and other services included in hospice care are the payment rates in effect under this paragraph during the previous fiscal year increased by the hospice payment update percentage increase (as defined in sections 1814(i)(1)(C) of the Act), applicable to discharges occurring in the fiscal year.”^b</p>	<p><i>2026 Proposed Rule</i> (4/30/2025) CMS-1835-P 90 FR 18568 Comments: Regulations.gov CMS-2025-0030</p> <p><i>2025 Final Rule</i> (8/6/2024) CMS-1810-F 89 FR 64202</p> <p><i>2025 Proposed Rule</i></p>

Rule Name and Payment System(s) ^a	Typically Issued		Requirements: Timeline and Public Comment		Most Recently Issued Rule(s)
	Proposed Rule	Final Rule	Statutory	Regulatory	
					(4/4/2024) CMS-1810-P 89 FR 23778 Comments: Regulations.gov CMS-2024-0118-0002
					2024 Final Rule (8/2/2023) CMS-1787-F 88 FR 51164
					2024 Proposed Rule (4/4/2023) CMS-1787-P 88 FR 20022 Comments: Regulations.gov CMS-2023-0051

Source: Compiled by the Congressional Research Service (CRS).

Notes: Table compiled using Centers for Medicare & Medicaid Services (CMS) websites, *Federal Register*, and Regulations.gov. In some cases, multiple payment systems are covered by one rule, so they are combined under one header and rule column, but include separate rows for their payment system name as well as the statutory and regulatory requirements. Typical months when proposed and final rules are issued can vary, and the months listed are based on CRS analysis of Federal Register publication dates from the past 10 years. Additionally, corrections are sometimes issued after the final rule.

- a. Some Medicare FFS payment systems are not updated through notice and comment or on an annual basis, but only periodically. These include Clinical Laboratory Fee Schedule, Shared Savings Program, and Ambulance Fee Schedule. Please see the embedded CMS links for more information, including the most recent rules.
- b. At times, regulations reference the Social Security Act rather than the *U.S. Code* citation. The Social Security Administration provides a cross-reference table at https://www.ssa.gov/OP_Home/comp2/G-APP-H.html.

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