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Medicare Payment Policies in 2026

Chicago Medicine 11.2025

The Centers for Medicare & Medicaid Services (CMS) recently published the calendar year (CY) 2026 proposed rule for Medicare payment for services provided in hospital outpatient departments under the Outpatient Prospective Payment System (OPPS) and services provided in ambulatory surgery centers (ASCs) (the Proposed Rule). Comments were due September 15, 2025. The Proposed Rule aligns with many of President Trump's recent Executive Orders, focusing on:

- Cost containment for the Medicare program
- Enhanced hospital price transparency requirements and enforcement
- Expansion of digital health applications and services
- Termination of diversity, equity and inclusion programs that "encourage unlawful discrimination"
- Reduced Medicare reimbursement for drugs in an effort to lower drug prices
- Elimination of quality measures related to advancing health equity, addressing social drivers of health, and encouraging COVID-19 vaccination coverage among healthcare personnel from the applicable Medicare quality reporting programs.
- The Proposed Rule includes some policies that were also adopted during President Trump's first administration, such as removing Medicare payment limitations on site of service and permitting more procedures to be performed in lower-cost hospital outpatient or ASC settings. The Proposed Rule does not include anticipated changes to the Medicare Conditions of Participation for hospitals related to gender affirming care; those changes are still anticipated in a forthcoming proposed rule later this year.
- Payment policy proposals of significant interest to hospitals, ASCs and their patients, partners, vendors, and other stakeholders include:

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