



Calendar Year 2026 Medicare Hospital Outpatient Prospective Payment System Summary

On July 15, 2025, the Centers for Medicare and Medicaid Services (CMS) [released](#) the Medicare Hospital Outpatient Prospective Payment System (OPPS) Proposed Rule for CY 2026. The OPPS is significant because it reimburses hospitals and ambulatory surgical centers (ASCs) for outpatient services and includes policies that could have implications for CRNAs. Below is a high-level overview of key proposals that could impact AANA priorities. The Regulatory Affairs team is currently analyzing the proposed rule for impacts on CRNA practice and reimbursement and developing comments. The public comment period closes on September 15, 2025.

CY 2026 Payment Increase

- The proposed rule includes a 2.4% increase for CY 2026 for both hospital outpatient services and ASC services which results in a conversion factor of \$56.207 for CY 2026.
- This rate applies to hospitals and ASCs that meet their relative quality reporting requirements.

Inpatient Only Procedures List Phase Out

- The proposed rule aims to phase out the Inpatient Only (IPO) list over the next three years.
- This process begins in CY 2026 by removing 285 mostly musculoskeletal services.
- Services removed from the IPO list would also be exempted from certain medical review processes as part of the two-midnight rule. This rule implemented in 2013 stated:
 - Medicare Part A payment was generally not appropriate for hospital stays expected to last less than two midnights.
 - Cases involving a procedure identified on the IPO list or that were identified as “rare and unusual exception” to the two-midnight benchmark by CMS were exceptions to this general rule and were deemed to be appropriate for Medicare Part A payment.
- CMS previously finalized the removal of the IPO list in the CY 2021 OPPS final rule but reversed this in the CY 2022 rule.
- CMS states in the CY 2026 proposed rule that these decisions should be made by providers with their clinical knowledge and judgement.

Modification of the ASC Covered Services list

- CMS proposes to modify the criteria to determine what services can be covered in the ASC setting including eliminating five general exclusion criteria which would instead be nonbinding physician considerations for patient safety.
- CMS would add 276 procedures to the ASC list including 271 procedures removed from the IPO list in CY 2026. These 271 IPO procedures would now be reimbursed if performed at an ASC.

Hospital Price Transparency

- The proposed rule amends existing transparency regulations to clarify and standardize price reporting and only applies to Medicare Part A.
- Beginning January 1, 2026, CMS would require hospitals to disclose the tenth, median, and ninetieth percentile allowed amounts for payer negotiated charges based on percentages or algorithms and requires hospitals to disclose amounts in dollars when possible.
- CMS would also require the encoding of facilities' NPIs for better comparability of this information by the public.
- The proposal includes a 35% reduction in civil monetary penalties for hospitals found out of compliance but then agree with CMS' determination and waive their right to a hearing with an Administrative Law Judge.

Non-opioid Pain Management

- CMS proposes to continue temporary additional payments for certain non-opioid treatments for pain relief in the hospital outpatient and ASC settings through December 31, 2027.
 - There is still no payment under the Medicare fee schedule for non-opioid pain management services, but AANA continues to urge CMS to add them.
- The proposal includes five drugs and six devices that qualify and would be paid separately in both the outpatient and ASC setting beginning CY 2026.
 - See table 82 page 33746 in proposed rule.
- CMS asks for feedback on what other drugs and products should qualify.

Requests for Information

- In the proposed rule CMS includes an RFI seeking suggestions for measures for the Hospital Outpatient Quality Reporting (OQR), Rural Emergency Hospital Quality Reporting (REHQR), and Ambulatory Surgical Center Quality Reporting (ASCQR) Programs that would improve well-being and nutrition.
- Another RFI asks for input on developing a process for identifying ambulatory services that are wrongfully shifted to the hospital setting based on financial calculations rather than clinical necessity.
- CMS includes a call for feedback at their separate [RFI](#) released earlier this year called "Unleashing Prosperity Through Deregulation of the Medicare Program."

Quality Measures

- A proposed quality measure for the Ambulatory Surgical Center Quality Reporting (ASCQR) Program seeks to gather information from patients on their understanding of key information related to their recovery after an outpatient procedure.
- The Hospital Outpatient Quality Reporting (OQR) Program and the Rural Emergency Hospital Quality Reporting (REHQR) Program both include Emergency Care Access & Timeliness optional proposed measures.