



Health Care Reform in Indian Country

Self-Governance Communication & Education

Self-Governance Tribes Striving Towards Excellence in Health Care

Indian Health Service Reimbursement Rates (aka “OMB Rate”) for 2016¹

March 10, 2016

This brief seeks to provide guidance to Tribes on Indian Health Service (IHS) reimbursement rates – also known as the “OMB Rate” – for calendar year (CY) 2016.

On March 9, 2016, IHS issued a notice² announcing that the IHS Principal Deputy Director, under the authority of sections 321(a) and 322(b) of the Public Health Service Act, Public Law 83-568, and the Indian Health Care Improvement Act, has approved the following rates for inpatient and outpatient medical care provided by IHS facilities for CY 2016 for Medicare and Medicaid beneficiaries, beneficiaries of other federal programs, and for recoveries under the federal Medical Care Recovery Act. This notice does not include Medicare Part A inpatient rates, as they are paid based on the prospective payment system. Since the inpatient rates set forth in this notice do not include all physician services and practitioner services, additional payment might be available to the extent that those services are provided. The IHS reimbursement rates for CY 2016 appear below.

IHS Reimbursement Rates for CY 2016

Inpatient Hospital Per Diem Rate (Excludes Physician/Practitioner Services)

Lower 48 States \$2,655
Alaska \$3,335

Outpatient Per Visit Rate (Excluding Medicare)

Lower 48 States \$368
Alaska \$603

Outpatient Per Visit Rate (Medicare)

Lower 48 States \$324
Alaska \$582

Medicare Part B Inpatient Ancillary Per Diem Rate

Lower 48 States \$637
Alaska \$1,082

Outpatient Surgery Rate (Medicare): Established Medicare rates for freestanding Ambulatory Surgery Centers.

¹ This brief is for informational purposes only and is not intended as legal advice. For questions on this brief, please contact Doneg McDonough, TSGAC Technical Advisor, at DonegMcD@Outlook.com.

² IHS, “Reimbursement Rates for Calendar Year 2016”; see 81 FR 12513. <https://www.gpo.gov/fdsys/pkg/FR-2016-03-09/pdf/2016-05252.pdf>

Effective Date for CY 2016 Rates: Consistent with previous annual rate revisions, the CY 2016 rates will take effect for services provided on/or after January 1, 2016, to the extent consistent with payment authorities including the applicable Medicaid State plan.

Table 1 below provides a comparison of IHS reimbursement rates for CY 2016 and CY 2015.

Table 1: Comparison of IHS Reimbursement Rates, CY 2016 and CY 2015

| Service | | CY 2016 Rate | CY 2015 Rate | \$ Change | % Change |
|--|----------------------------|--|--|--------------|--------------|
| Inpatient Hospital Per Diem Rate (Excludes Physician/Practitioner Services) | Lower 48 States | \$2,655 | \$2,443 | \$212 | 8.7% |
| | Alaska | \$3,335 | \$2,926 | \$409 | 14.0% |
| Outpatient Per Visit Rate (Excluding Medicare) | Lower 48 States | \$368 | \$350 | \$18 | 5.1% |
| | Alaska | \$603 | \$601 | \$2 | 0.3% |
| Outpatient Per Visit Rate (Medicare) | Lower 48 States | \$324 | \$307 | \$17 | 5.5% |
| | Alaska | \$582 | \$564 | \$18 | 3.2% |
| Medicare Part B Inpatient Ancillary Per Diem Rate | Lower 48 States | \$637 | \$516 | \$121 | 23.4% |
| | Alaska | \$1,082 | \$956 | \$126 | 13.2% |
| Outpatient Surgery Rate (Medicare) | Lower 48 States and Alaska | Established Medicare rates for freestanding ambulatory surgery centers | Established Medicare rates for freestanding ambulatory surgery centers | N/A | N/A |

Source: IHS, 80 FR 18639 and 81 FR 12513