



Health Care Reform in Indian Country

Self-Governance Communication & Education

Self-Governance Tribes Striving Towards Excellence in Health Care

Indian Health Service Reimbursement Rates for 2018¹

January 9, 2018

This brief provides information to Tribes on Indian Health Service (IHS) reimbursement rates—also known as “OMB rates” or “encounter rates”—for calendar year (CY) 2018.

On January 5, 2018, a notice was published in the Federal Register² announcing that the IHS Acting 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 2018 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 per diem rates set forth in this notice do not include all physician services and practitioner services, additional payment shall be available to the extent that those services are provided. The IHS reimbursement rates for CY 2018 appear below.

IHS Reimbursement Rates for CY 2018

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

Lower 48 States \$3,229
Alaska \$3,277

Outpatient Per Visit Rate (Excluding Medicare)

Lower 48 States \$427
Alaska \$653

Outpatient Per Visit Rate (Medicare)

Lower 48 States \$383
Alaska \$595

Medicare Part B Inpatient Ancillary Per Diem Rate

Lower 48 States \$740
Alaska \$ 1,061

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 2018”; see 83 FR 682. <https://www.gpo.gov/fdsys/pkg/FR-2018-01-05/pdf/2018-00047.pdf>

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

Effective Date for CY 2018 Rates: Consistent with previous annual rate revisions, the CY 2018 rates will take effect for services provided on/or after January 1, 2018, 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 2018 and CY 2017.

Table 1: Comparison of IHS Reimbursement Rates, CY 2018 and CY 2017

Service		CY 2018 Rate	CY 2017 Rate	\$ Change	% Change
Inpatient Hospital Per Diem Rate (Excludes Physician/Practitioner Services)	Lower 48 States	\$3,229	\$2,933	+\$296	+10.1%
	Alaska	\$3,277	\$3,235	+\$42	+1.3%
Outpatient Per Visit Rate (Excluding Medicare)	Lower 48 States	\$427	\$391	+\$36	+9.2%
	Alaska	\$653	\$616	+\$37	+6.0%
Outpatient Per Visit Rate (Medicare)	Lower 48 States	\$383	\$349	+\$34	+9.7%
	Alaska	\$595	\$577	+\$18	+3.1%
Medicare Part B Inpatient Ancillary Per Diem Rate	Lower 48 States	\$740	\$679	+\$61	+9.0%
	Alaska	\$1,061	\$1,046	+\$15	+1.4%
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

Sources: IHS, 82 FR 5585 and 83 FR 682