

# MEDICARE PAYMENTS

- Beginning in 2010, market basket updates for inpatient, outpatient and psychiatric have been reduced.
- Beginning in 2012, a productivity adjustment will also be applied which has the ability to reduce the market basket update to below zero.

2010 & 2011	MB minus 0.25
2012 & 2013	MB minus 0.1 + productivity (.8%)
2014	MB minus 0.3 + productivity (1.1%)
2015 & 2016	MB minus 0.2 + productivity (1.2% in 2015, 1.1% in 2016)
2017 and beyond	MB minus 0.75 + productivity (1.0% in 2017, .9% in 2018, 1.0% in 2019)

- Productivity will be determined each year.
- These reductions are in addition to reductions for noncompliance with quality measure reporting/performance and IT requirements.
- Reduces hospice market basket by 0.3% from 2013 thru 2019.
- Reduces home health market basket by 1.0% from 2011 thru 2013. Rebases home health rates in 2014.