



UTAH DEPARTMENT
OF HEALTH &
HUMAN SERVICES
*Office of Reimbursement,
Coordinated Care &
Audit*

Medicaid Reimbursement Rate Comparative
Analysis – Freestanding Ambulatory Surgical
Center Services

Final
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Freestanding ASC Services Executive Summary

Freestanding ambulatory surgical center (ASC) services are surgical services provided on a non-hospital outpatient basis. These facilities are separate from hospitals and provide an alternative option compared to a traditional hospital-based outpatient surgery for a wide range of procedures.

The freestanding ASC rate study compares Utah Medicaid reimbursement rates to Medicare reimbursement rates, as well as reimbursement rates from other state Medicaid programs. *Table 1* provides a high-level summary of the ASC services rate study. We expand upon the details of these figures in the following sections of our report.

Table 1. Summary of Freestanding ASC Comparison

Proc. Code	Description	Medicare Comparison		Other State Comparison		
		Utah Medicaid Rate	Medicare Rate	Utah as % of Medicare Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
23515	OPEN TRMNT CLAVICULAR FX,W W/O INTERNAL/EXTERN FI	\$2,505.66	\$4,610.41	54%	\$3,108.47	81%
27279	ARTHRODESIS SACROILIAC JOINT	\$8,259.68	\$15,176.56	54%	\$11,721.64	70%
27829	OPEN TRMNT DISTAL TIBIOFIBULAR JOINT DISRUPT, FIXAT	\$2,555.57	\$4,781.86	53%	\$2,872.49	89%
28730	ARTHRODES, MIDTARS/TARSMETATRS MULT/TRNSV	\$5,386.00	\$9,855.38	55%	\$5,928.34	91%
29826	ARTHROSCOPY, SHOULDER, SURG DECOMP W/WO CORACRML RE	\$991.09			\$1,404.36	71%
29827	ARTHROSCOPY, SHOULDER, SURGICAL; W ROTATOR CUFF REPR	\$1,905.99	\$3,510.84	54%	\$2,586.10	74%
29888	ARTHROSCOPICALLY AID ANTE LIGAMENT REPAIR/RECONST	\$2,526.24	\$4,628.28	55%	\$3,345.56	76%
30140	SUBMUCOUS RESECTION TURBINAT, PART/COMP, ANY METHOD	\$740.89	\$1,394.45	53%	\$1,024.59	72%
30465	REPAIR OF NASAL VESTIBULAR STENOSIS	\$1,550.91	\$2,917.35	53%	\$2,117.93	73%
36903	INTRO CATH DIALYSIS CIRCUIT	\$3,890.64	\$7,351.35	53%	\$5,977.81	65%
42820	TONSILLECTOMY AND ADENOIDECTOMY; UNDER AGE 12	\$1,550.91	\$2,917.35	53%	\$1,941.16	80%
43239	UPPER GASTROINT. ENDOSCOPY 4/BIOP, SINGLE/MULTIPLE	\$264.16	\$503.39	52%	\$409.84	64%
43249	ESOPH EGD DILATION <30 MM	\$467.28	\$864.15	54%	\$645.15	72%
45380	COLONOSCPY, FLEX, PROXIMAL SPLEN FLEX; W BIOPSY, SING	\$343.87	\$632.96	54%	\$480.78	72%
45385	COLONOSCOPY, FLEX; REMOVAL TUMOR, POLYP, SNARE TECH	\$343.87	\$632.96	54%	\$480.78	72%



Proc. Code	Description	Medicare Comparison		Other State Comparison		
		Utah Medicaid Rate	Medicare Rate	Utah as % of Medicare Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
47563	LAPAROSCOPY,SURG;CHOLECYSTECTOMY W CHOLANGIOGRAPH	\$1,519.81	\$2,860.32	53%	\$2,212.32	69%
62321	NJX INTERLAMINAR CRV/THRC	\$201.52	\$371.75	54%	\$321.63	63%
62323	NJX INTERLAMINAR LMBR/SAC	\$201.52	\$371.75	54%	\$321.63	63%
63030	LAMINOTOMY,DECOMPRESS NERVE ROOT,1 INTERSPACE,LUM	\$1,905.99	\$3,510.84	54%	\$2,974.21	64%
63650	PERCUTANEOUS IMPLANT NEUROSTIMULT ELECTR,EPIDURAL	\$2,779.90	\$5,084.25	55%	\$3,567.96	78%
63685	INSERTN OR REPLACE SPIN NEURO GEN/REC,DIR/INDUCTI	\$14,197.79	\$26,281.67	54%	\$17,654.67	80%
64590	INSERTN OR REPLACE PERIPH NEURO GEN/REC,DIR/INDUC	\$10,667.44	\$19,672.23	54%	\$13,383.57	80%
64635	DESTROY LUMB/SAC FACET JNT	\$504.33	\$924.93	55%	\$692.75	73%
66982	EXTRACAPSULAR CATARACT REMOVAL W/INSERT PROS,CMLX	\$664.95	\$1,214.31	55%	\$985.83	67%
66984	EXTRACAPSULAR CATARACT REMOVAL W INSERTION LENS	\$664.95	\$1,214.31	55%	\$985.83	67%
Overall Average		\$2,663.64	\$5,053.49	53%	\$3,485.82	76%

- The Utah Department of Health and Human Services (DHHS) last received legislative appropriation to increase Free-Standing ASC rates July 1, 2010. The inflation from the appropriation change to December 31, 2024 (midpoint of SFY 2025) is 44%. Inflation was calculated using the Medicare Economic Index (MEI) published by the Centers for Medicare and Medicaid Services (CMS) and obtained from: <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data>.
- The Medicare fee schedules rates were obtained from the January 2025 Medicare ASC Payment Rates – Addenda published at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>.
- This table uses the average of the rates for comparable services provided in the surrounding states of Arizona, Colorado, Idaho, Kentucky, Montana, Nevada, New Mexico, and Wyoming. Kentucky was selected due to the availability of rates to the research team, and Montana was selected due to proximity to Utah.

Based on the rate research, Utah Medicaid reimbursement for freestanding ASC services is, on average, less than Medicare reimbursement and the average reimbursement levels of the other states in the study. Utah Medicaid reimbursement rates are on average 53% of Medicare and 76% of the rates of the other states in the study.



Background

The Utah Department of Health and Human Services, Office of Reimbursement, Coordinated Care & Audit engaged Myers and Stauffer LC (Myers and Stauffer) to review and compare Utah Medicaid reimbursement rates to certain reimbursement benchmarks, including Medicare reimbursement rates, reimbursement rates from other state Medicaid programs, or cost coverage based on provider costs of services (if available). As part of this project, we have issued a series of separate reports by service category. This report provides the results for freestanding ASC services. This report is accompanied by an Excel workbook titled *Utah Rate Study 2025 – Free-Standing ASC Services Exhibits* containing rate comparisons for the services analyzed.

For free-standing ASC services, we compared rates by Current Procedural Terminology (CPT) code. Utah Medicaid provided Myers and Stauffer with a list of 25 ASC codes to review. Myers and Stauffer relied on the Utah Medicaid fee schedule and the publicly available information regarding fee schedules from Medicare and the sample of other states. CPT code 41899 (Other Procedures on the Dentoalveolar Structures) was excluded from the study as this code is used for a wide range of dental services and may not be directly comparable across payers.

Data Sources

Utah Medicaid Rate Data

The Utah Medicaid fee schedule rates in effect on January 1, 2025 were obtained for each CPT code. Utah fee schedules are posted at the following website:

<https://health.utah.gov/stplan/lookup/CoverageLookup.php>.

Inflation

The inflation rate is calculated from the last legislative appropriations change, July 1, 2010, to December 31, 2024 (the midpoint of SFY 2025) using the Medicare Economic Index (MEI) published by the Centers for Medicare and Medicaid Services (CMS) at: <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data>.

Cost Data

The cost of services is not available because freestanding ASC services providers are not required to report costs to either the Medicare program or to most states. Therefore, cost coverage is not included in this analysis and report.

Medicare Rates

The Medicare fee schedule rates were obtained from the January 2025 Medicare physician fee schedule published at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>. Medicare rates are geographically adjusted for Utah. Medicare covers all the selected codes except code 29826, which is considered a bundled service and is not paid separately from the other services.

Surrounding States

The comparative analysis compares Utah Medicaid rates for the selected CPT codes to the reimbursement rates from eight other states based on proximity to Utah; Arizona, Colorado, Idaho, Kentucky, Montana, Nevada, New Mexico, and Wyoming. Kentucky rates were used due to availability to the research team. Other state Medicaid rates are from published fee schedules obtained in March 2025. The sampled states cover a majority of the selected codes in this study. Wyoming covers all 25 codes, while Arizona, Idaho, Kentucky, Montana, and Nevada each cover 24 of the codes, and New Mexico covers 23 of the codes.



Reimbursement Rate Comparisons

The freestanding ASC services rate comparisons are summarized in this section. These rate comparisons serve as points of reference only, providing the opportunity to identify those service categories where Utah Medicaid rates appear high or low when compared to the rates paid by Medicare and the comparison Medicaid states, and where rates appear high or low as compared to rates for services in other service categories, or where rates within a service category vary significantly from one another.

The comparison of Utah rates to Medicare, inflation using the MEI since the last rate change, and a sample of other states is not intended to suggest a desired fee schedule amount or level of reimbursement. Health care payers, including Medicare and state Medicaid agencies, differ in how they determine benefits and define services, the limitations they place on services, who is eligible for the services, who the providers are that deliver the services, and numerous other factors that affect reimbursement methodologies and fees.

State legislation determines Medicaid agency budgets based on state revenues. Appropriations are authorized by the Legislature and provide agencies with the authority to expend funds. Therefore, state agencies are limited in amounts for reimbursement rates based on state budgets. In addition, the federal government's share of a state's expenditures through the Federal Medical Assistance Percentage (FMAP) varies by state and provides differing levels of federal support across states. Of the states included in the research sample, the highest FMAP rate for federal fiscal year 2025 is 71.68% for New Mexico, and the lowest is 50.00% for Colorado (the FMAP for Utah is 64.36%). Factors relating to state budgetary levels and federal financial assistance are not considered in this analysis.

It is important to consider the following limitations when comparing reimbursement rates:

- A comparison of fee schedule reimbursement rates may not provide a complete representation of reimbursement levels between Utah Medicaid, the Medicare program, and the other states in the research sample.
- Government payers maintain more detailed information about fee schedules and underlying payment policies that may not be reflected in the information obtained from published fee schedules.
- Methodologies that Medicare and state Medicaid programs use, and the resulting rates, are specific to their overall policies and economic environment. It is important to understand there are policy decisions and unpublished context underlying the rate values. For example, a comparatively high or low Utah Medicaid rate, when compared to other states, may signify a rate that is updated more frequently by Utah Medicaid than the other states.
- Payment policies are often designed to address specific policy initiatives, so a Utah rate that appears higher than the comparison rate may result from a particular policy initiative designed



to encourage access to or use of a particular service. Alternatively, a Utah rate that appears lower than the comparison rate may result because other states may have made targeted increases for specific services.

- The rate comparisons presented in this report did not include a comparison of underlying rate assumptions for rates from other payers or an analysis of broader economic factors. Doing so would have been outside the scope of this project.
- The rate comparison serves to identify where Utah Medicaid rates fall in comparison to rates from a selection of other government payers.
- Differences in rate levels may not always be meaningful; they could be due to limited sample sizes, and/or differences in payment methodologies, and/or services covered. Additional research may be necessary to understand these variations.
- The rate comparison was limited in scope to comparing reimbursement rates. The comparison study and this report make no conclusions regarding the sufficiency of Utah Medicaid reimbursement rates or recommendations that Utah Medicaid should take any specific action on. Information is presented for comparison purposes only.

Comparisons to Medicare

We calculated two comparison rates to compare to Utah Medicaid rates. The first comparison rate is the Medicare rate, geographically adjusted to Utah. As shown in *Table 2*, for the comparison CPT codes, Utah Medicaid rates are on average 53% of the Medicare rates for Utah, which is a similar difference across all codes.

Table 2. Freestanding ASC Rate Comparison to Medicare

Procedure Code	Description	Utah Medicaid Rate	Medicare Rate	Utah as % of Medicare Rate
23515	OPEN TRMNT CLAVICULAR FX,W W/O INTERNAL/EXTERN FI	\$2,505.66	\$4,610.41	54%
27279	ARTHRODESIS SACROILIAC JOINT	\$8,259.68	\$15,176.56	54%
27829	OPEN TRMNT DISTAL TIBIOFIBULAR JOINT DISRUPT, FIXAT	\$2,555.57	\$4,781.86	53%
28730	ARTHRODES,MIDTARS/TARSMETATRS MULT/TRNSV	\$5,386.00	\$9,855.38	55%
29826	ARTHROSCOPY,SHOULDER,SURG DECOMP W/WO CORACRML RE	\$991.09		
29827	ARTHROSCOPY,SHOULDER,SURGICAL;W ROTATOR CUFF REPR	\$1,905.99	\$3,510.84	54%
29888	ARTHROSCOPICALLY AID ANTE LIGAMENT REPAIR/RECONST	\$2,526.24	\$4,628.28	55%
30140	SUBMUCOUS RESECTION TURBINAT,PART/COMP,ANY METHOD	\$740.89	\$1,394.45	53%



Procedure Code	Description	Utah Medicaid Rate	Medicare Rate	Utah as % of Medicare Rate
30465	REPAIR OF NASAL VESTIBULAR STENOSIS	\$1,550.91	\$2,917.35	53%
36903	INTRO CATH DIALYSIS CIRCUIT	\$3,890.64	\$7,351.35	53%
42820	TONSILLECTOMY AND ADENOIDECTOMY; UNDER AGE 12	\$1,550.91	\$2,917.35	53%
43239	UPPER GASTROINTESTINAL ENDOSCOPY 4/BiOP, SINGLE/MULTIPLE	\$264.16	\$503.39	52%
43249	ESOPH EGD DILATION <30 MM	\$467.28	\$864.15	54%
45380	COLONOSCOPY, FLEX, PROXIMAL SPLEN FLEX; W BIOPSY, SING	\$343.87	\$632.96	54%
45385	COLONOSCOPY, FLEX; REMOVAL TUMOR, POLYP, SNARE TECH	\$343.87	\$632.96	54%
47563	LAPAROSCOPY, SURG; CHOLECYSTECTOMY W CHOLANGIOGRAPH	\$1,519.81	\$2,860.32	53%
62321	NJX INTERLAMINAR CRV/THRC	\$201.52	\$371.75	54%
62323	NJX INTERLAMINAR LMBR/SAC	\$201.52	\$371.75	54%
63030	LAMINOTOMY, DECOMPRESS NERVE ROOT, 1 INTERSPACE, LUM	\$1,905.99	\$3,510.84	54%
63650	PERCUTANEOUS IMPLANT NEUROSTIMULT ELECTR, EPIDURAL	\$2,779.90	\$5,084.25	55%
63685	INSERTN OR REPLACE SPIN NEURO GEN/REC, DIR/INDUCTI	\$14,197.79	\$26,281.67	54%
64590	INSERTN OR REPLACE PERIPH NEURO GEN/REC, DIR/INDUC	\$10,667.44	\$19,672.23	54%
64635	DESTROY LUMB/SAC FACET JNT	\$504.33	\$924.93	55%
66982	EXTRACAPSULAR CATARACT REMOVAL W/INSERT PROS, CMPLX	\$664.95	\$1,214.31	55%
66984	EXTRACAPSULAR CATARACT REMOVAL W/INSERTION LENS	\$664.95	\$1,214.31	55%
Overall Average		\$2,663.64	\$5,053.49	53%

Comparisons to Surrounding States

The second comparison rate is the average state Medicaid rate of the comparison states. For the comparison CPT codes, Utah Medicaid rates are an average of 76% of the other state rates, with the highest rate at 91%, and the lowest rate at 63%.

Table 3. Freestanding ASC Rate Comparison to Other States

Procedure Code	Description	Utah Medicaid Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
23515	OPEN TRMNT CLAVICULAR FX, W W/O INTERNAL/EXTERN FI	\$2,505.66	\$3,108.47	81%
27279	ARTHRODESIS SACROILIAC JOINT	\$8,259.68	\$11,721.64	70%
27829	OPEN TRMNT DISTAL TIBIOFIBULAR JOINT DISRUPT, FIXAT	\$2,555.57	\$2,872.49	89%



Procedure Code	Description	Utah Medicaid Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
28730	ARTHRODES,MIDTARS/TARSMETATRS MULT/TRNSV	\$5,386.00	\$5,928.34	91%
29826	ARTHROSCOPY,SHOULDER,SURG DECOMP W/WO CORACRML RE	\$991.09	\$1,404.36	71%
29827	ARTHROSCOPY,SHOULDER,SURGICAL;W ROTATOR CUFF REPR	\$1,905.99	\$2,586.10	74%
29888	ARTHROSCOPICALLY AID ANTE LIGAMENT REPAIR/RECONST	\$2,526.24	\$3,345.56	76%
30140	SUBMUCOUS RESECTION TURBINAT,PART/COMP,ANY METHOD	\$740.89	\$1,024.59	72%
30465	REPAIR OF NASAL VESTIBULAR STENOSIS	\$1,550.91	\$2,117.93	73%
36903	INTRO CATH DIALYSIS CIRCUIT	\$5,977.81	\$5,014.53	65%
42820	TONSILLECTOMY AND ADENOIDECTOMY; UNDER AGE 12	\$1,941.16	\$1,593.30	80%
43239	UPPER GASTROINTESTINAL ENDOSCOPY 4/BiOP,SINGLE/MULTIPLE	\$409.84	\$388.41	64%
43249	ESOPH EGD DILATION <30 MM	\$645.15	\$546.13	72%
45380	COLONOSCOPY,FLEX,PROXIMAL SPLEN FLEX;W BIOPSY,SING	\$480.78	\$462.11	72%
45385	COLONOSCOPY,FLEX;REMOVAL TUMOR, POLYP, SNARE TECH	\$480.78	\$469.21	72%
47563	LAPAROSCOPY,SURG;CHOLECYSTECTOMY W CHOLANGIOGRAPH	\$2,212.32	\$1,920.88	69%
62321	NJX INTERLAMINAR CRV/THRC	\$321.63	\$305.16	63%
62323	NJX INTERLAMINAR LMBR/SAC	\$321.63	\$304.62	63%
63030	LAMINOTOMY,DECOMPRESS NERVE ROOT,1 INTERSPACE,LUM	\$2,974.21	\$2,521.90	64%
63650	PERCUTANEOUS IMPLANT NEUROSTIMULT ELECTR,EPIDURAL	\$3,567.96	\$3,200.89	78%
63685	INSERTN OR REPLACE SPIN NEURO GEN/REC,DIR/INDUCTI	\$17,654.67	\$15,648.56	80%
64590	INSERTN OR REPLACE PERIPH NEURO GEN/REC,DIR/INDUC	\$13,383.57	\$12,070.84	80%
64635	DESTROY LUMB/SAC FACET JNT	\$692.75	\$623.76	73%
66982	EXTRACAPSULAR CATARACT REMOVAL W/INSERT PROS,CMPLX	\$985.83	\$952.45	67%
66984	EXTRACAPSULAR CATARACT REMOVAL W/INSERTION LENS	\$985.83	\$921.22	67%
Overall Average		\$2,663.64	\$3,485.82	76%

Our supporting Excel file provides data for these comparisons in this report. The supporting Excel file also contains a table showing the individual rates for each comparison state, as well as the highest and lowest other state rate. If Medicare or the state did not have a rate or had a rate of zero, the code is not included in the average.