



Press Release

Site-neutral Payments

PAULINA ENCK | MAY 4, 2023

As Congress looks for ways to make the health care system more efficient and affordable, site-neutral payment policies are an intriguing prospect, as they provide an avenue for reducing Medicare costs without hurting beneficiary care. In a new insight, Health Care Policy Analyst Jackson Hammond discusses what site-neutral payments are, how they work, the current extent of their use in Medicare Part B, and their fiscal impact on the program.

Key points:

- Site-neutrality is the policy of having Medicare Part B pay the same amount for the same outpatient services regardless of whether the service is performed in a hospital, ambulatory surgical center, or physician's office.
- Over 10 years, site-neutral payment policies could save Medicare up to \$153 billion, beneficiaries up to \$94 billion, the greater U.S. health care system up to \$672 billion while reducing the national deficit by a potential \$279 billion, and potentially reduce the Part A trust fund's shortfall.
- Legislation is required to make changes to current Part B payments and enact site-neutral payment policies.

[*Read the analysis*](#)