



Indian Health Service Reimbursement Rates for 2025¹

April 7, 2025

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) 2025.

On December 16, 2024, a notice appeared in the Federal Register² announcing that the IHS 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 2025 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 2025 appear below.

IHS Reimbursement Rates for CY 2025

Inpatient Hospital Per Diem Rate (excludes physician/practitioner services)

Lower 48 States \$5,580
Alaska \$5,074

Outpatient Per Visit Rate (excluding Medicare)

Lower 48 States \$801
Alaska \$1,209

Outpatient Per Visit Rate (Medicare)

Lower 48 States \$718
Alaska \$1,193

Medicare Part B Inpatient Ancillary Per Diem Rate

Lower 48 States \$1,074
Alaska \$1,567

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 2025”; see <https://www.govinfo.gov/content/pkg/FR-2024-12-16/pdf/2024-29505.pdf>.

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

Effective Date for CY 2025 Rates: Consistent with previous annual rate revisions, the CY 2025 rates will take effect for services provided on/or after January 1, 2025, 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 2025 and CY 2024.

Table 1: Comparison of IHS Reimbursement Rates, CY 2025 and CY 2024					
Service	Location	CY 2025 Rate	CY 2024 Rate	Change (2025 vs. 2024)	
				\$	%
Inpatient Hospital Per Diem Rate (excludes physician/practitioner services)	Lower 48 states	\$5,580	\$5,083	+\$497	+9.8%
	Alaska	\$5,074	\$4,326	+\$748	+17.3%
Outpatient Per Visit Rate (excluding Medicare)	Lower 48 states	\$801	\$719	+\$82	+11.4%
	Alaska	\$1,209	\$1,060	+\$149	+14.1%
Outpatient Per Visit Rate (Medicare)	Lower 48 states	\$718	\$667	+\$51	+7.6%
	Alaska	\$1,193	\$961	+\$232	+24.1%
Medicare Part B Inpatient Ancillary Per Diem Rate	Lower 48 states	\$1,074	\$963	+\$111	+11.5%
	Alaska	\$1,567	\$1,341	+\$226	+16.9%
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	--	--