

Review Choice Demonstration for Inpatient Rehabilitation Facility Services (IRF RCD) Quarterly Updates

Fiscal Year 2024 (Oct 2023 - Sept 2024)

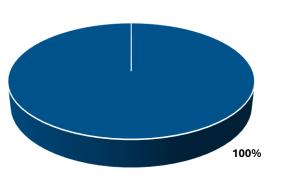
The IRF RCD improves procedures for identifying, investigating, and prosecuting potential Medicare fraud. The program, which is currently implemented in Alabama and Pennsylvania—helps ensure that payments for IRF services are appropriate. Under this demonstration the IRFs choose how they demonstrate their compliance with Medicare requirements. Initially, they may participate in either 100 percent pre-claim review or 100 percent postpayment review. IRFs demonstrating compliance with Medicare requirements through their pre-claim review affirmation rate, or postpayment review approval rate will have additional review choices to select from.

In an effort to reduce provider burden, this demonstration does not change any medical necessity or documentation requirements. It improves provider compliance with Medicare program rules, does not alter the Medicare IRF benefit, and should not delay care to Medicare beneficiaries. This demonstration protects our programs' sustainability for future generations by serving as a responsible steward of public funds.

Fiscal Year 2024 QUARTER 1 (Oct 2023 – Dec 2023)



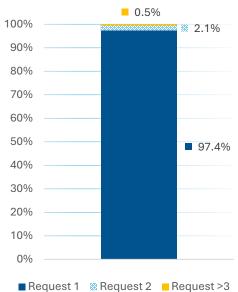
Providers in Each Choice



- Choice 1: Pre-Claim Review
- Choice 2: Post-Payment Review
- Choice 3: Selective Review
- Choice 4: Spot Check

| Review Cycle | |
|--------------|---|
| Alabama | 1 |

Number of Pre-Claim Review Submissions to Achieve an Affirmation



| Prepayment and Postpayment Reviews | |
|------------------------------------|-----|
| Claims Reviewed | 0 |
| Claims Approved | 0 |
| Claims Denied | 0 |
| Claim Approval Rate | N/A |

Top 3 Reasons for Non-Affirmation

The documentation does not support the beneficiary required supervision by a rehabilitation physician.

The documentation does not support the patient is sufficiently stable at the time of admission to the IRF to be able to actively participate in and benefit significantly from the intensive rehabilitation therapy program.

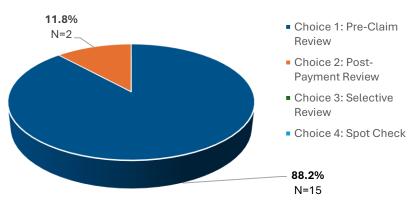
Documentation does not support that therapy services began within thirty-six hours from midnight of the day of admission to the IRF.

| Pre-Claim Reviews | |
|---------------------------------|-------|
| Initial Requests Reviewed | 2,180 |
| Resubmitted Requests Reviewed | 170 |
| Requests Provisionally Affirmed | 1,873 |
| Requests Non-Affirmed | 454 |
| Provisional Affirmation Rate | 86% |

Fiscal Year 2024 QUARTER 2 (Jan 2024 – March 2024)



Providers in Each Choice



| Prepayment and Postpayment Reviews | |
|------------------------------------|-----|
| Claims Reviewed | 0 |
| Claims Approved | 0 |
| Claims Denied | 0 |
| Claim Approval Rate | N/A |

Top 3 Reasons for Non-Affirmation

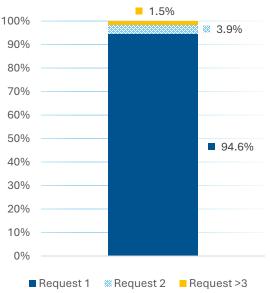
The documentation does not support the beneficiary required supervision by a rehabilitation physician.

The documentation does not support the patient is sufficiently stable at the time of admission to the IRF to be able to actively participate in and benefit significantly from the intensive rehabilitation therapy program.

Documentation does not support that therapy services began within thirty-six hours from midnight of the day of admission to the IRF.

| Review Cycle | |
|--------------|---|
| Alabama | 2 |

Number of Pre-Claim Review Submissions to Achieve an Affirmation

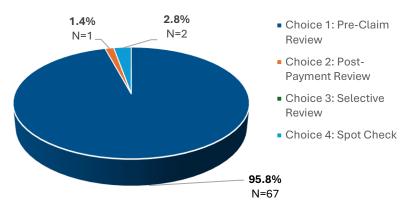


| Pre-Claim Reviews | |
|---------------------------------|-------|
| Initial Requests Reviewed | 2,152 |
| Resubmitted Requests Reviewed | 230 |
| Requests Provisionally Affirmed | 1,895 |
| Requests Non-Affirmed | 454 |
| Provisional Affirmation Rate | 88% |

Fiscal Year 2024 QUARTER 3 (April 2024 – June 2023)



Providers in Each Choice



| Prepayment and Postpayment Reviews | |
|------------------------------------|-----|
| Claims Reviewed | 82 |
| Claims Approved | 77 |
| Claims Denied | 5 |
| Claim Approval Rate | 94% |

Top 3 Reasons for Non-Affirmation

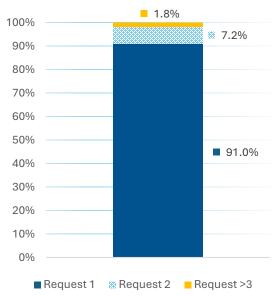
The documentation does not support the beneficiary required supervision by a rehabilitation physician.

The documentation does not support that upon admission to the IRF the patient generally required the intensive rehabilitation therapy services that are uniquely provided in IRFs.

The documentation does not support the patient is sufficiently stable at the time of admission to the IRF to be able to actively participate in and benefit significantly from the intensive rehabilitation therapy program.

| Review Cycle | |
|--------------|---|
| Alabama | 2 |
| Pennsylvania | 1 |

Number of Pre-Claim Review Submissions to Achieve an Affirmation

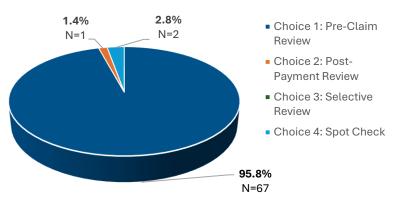


| Pre-Claim Reviews | |
|---------------------------------|-------|
| Initial Requests Reviewed | 2,153 |
| Resubmitted Requests Reviewed | 488 |
| Requests Provisionally Affirmed | 1,771 |
| Requests Non-Affirmed | 864 |
| Provisional Affirmation Rate | 82% |

Fiscal Year 2024 QUARTER 4 (July 2024 – Sept 2023)



Providers in Each Choice



| Prepayment and Postpayment Reviews | |
|------------------------------------|-----|
| Claims Reviewed | 143 |
| Claims Approved | 125 |
| Claims Denied | 16 |
| Claim Approval Rate | 87% |

Top 3 Reasons for Non-Affirmation

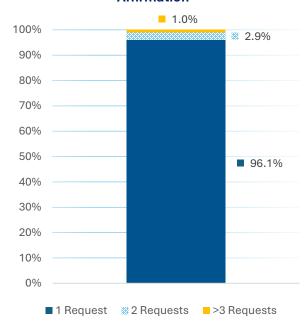
The documentation does not support the beneficiary required supervision by a rehabilitation physician.

The documentation does not support the patient is sufficiently stable at the time of admission to the IRF to be able to actively participate in and benefit significantly from the intensive rehabilitation therapy program.

The documentation does not support the patient is sufficiently stable at the time of admission to the IRF to be able to actively participate in and benefit significantly from the intensive rehabilitation therapy program.

| Review Cycle | |
|--------------|---|
| Alabama | 2 |
| Pennsylvania | 1 |

Number of Pre-Claim Review Submissions to Achieve an Affirmation



| Pre-Claim Reviews | |
|---------------------------------|-------|
| Initial Requests Reviewed | 5,557 |
| Resubmitted Requests Reviewed | 711 |
| Requests Provisionally Affirmed | 5,079 |
| Requests Non-Affirmed | 1,188 |
| Provisional Affirmation Rate | 91% |

GLOSSARY OF TERMS



Choice 1: Pre-Claim Review

A request for provisional affirmation of coverage submitted to the MAC for review before a final claim is submitted for payment. The provider can begin or complete services before submitting the request.

Choice 2: Postpayment Review

The MAC reviews every claim that has received payment from Medicare.

Choice 3: Selective Postpayment Review

The MAC reviews a statistically valid percentage of claims (based upon the previous six months of claim volume) that have received payment from Medicare.

Choice 4: Spot Check Prepayment Review

The MAC reviews a 5% sample of an IRF's submitted claims (based upon the previous six months of claim volume) before they are paid.

Medicare Administrative Contractor (MAC)

A private health care insurer that has been awarded a geographic jurisdiction to process claims for Medicare Fee-For-Service beneficiaries. CMS relies on a network of MACs to serve as the primary operational contact between Medicare and the health care providers enrolled in the program.

Number of Claims Reviewed

The number of claims that underwent prepayment or postpayment review through Choices 2, 3, or 4.

Number of Claims Approved

The number of claims that underwent prepayment or postpayment review through Choices 2, 3, or 4 and were found to be payable.

Number of Claims Denied

The number of claims that underwent prepayment or postpayment review through Choices 2, 3, or 4 and were found to be not payable.

Claim Approval Rate

The number of payable claims divided by the total number claims reviewed through Choices 2, 3, or 4.

Initial Requests Reviewed

The number of initial pre-claim review requests submitted to the MAC and either provisionally affirmed or non-affirmed.

Resubmitted Requests Reviewed

The number of resubmitted pre-claim review requests submitted to the MAC and either provisionally affirmed or non-affirmed.

Requests Provisionally Affirmed

The number of pre-claim review requests (whether initial or resubmitted) that received a provisional affirmation decision. A provisional affirmation decision is a preliminary finding that a future claim submitted to Medicare for the service likely meets Medicare's coverage, coding, and payment requirements.

Requests Non-Affirmed

The number of pre-claim review requests (whether initial or resubmitted) that received a non-affirmation decision. A non-affirmation decision is a preliminary finding that a future claim submitted to Medicare for the service does not meet Medicare's coverage, coding, and payment requirements.

Provisional Affirmation Rate

The number of provisionally affirmed pre-claim review requests (whether initial or resubmitted) divided by the total number of initial pre-claim review requests received.