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Inpatient Rehabilitation Facility (IRF) Medical Review Changes

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Note: This article was revised on December 20, 2018, to remove the Admission order requirement from the portion of the article under "Required documentation elements for an IRF claim include, but are not limited to." Please note that the regulation, CMS-1688-F, removed the admission order documentation requirement from the IRF payment regulation(s) in an effort to reduce duplicative documentation requirements. CMS will continue enforcement of the hospital conditions of participation. Also, a link to the CMS-1688-F is added in the Additional Information section. All other information remains the same.

PROVIDER TYPE AFFECTED

This MLN Matters Article is intended for Inpatient Rehabilitation Facilities (IRFs), physicians, and other practitioners with patients in IRFs who are receiving Part A inpatient services.

PROVIDER ACTION NEEDED

Special Edition article SE17036 reiterates policy related to claims submitted with regard to services provided to Medicare beneficiaries in an IRF. Please make sure your billing and coding staffs review these policies associated with the Medicare IRF benefit.

BACKGROUND

The Medicare IRF benefit provides intensive rehabilitation therapy in a resource intensive inpatient hospital environment, including Inpatient Rehabilitation Hospitals and Inpatient Rehabilitation Units. The IRF benefit is for a beneficiary who, due to the complexity of their nursing, medical management, and rehabilitation needs, requires and can reasonably be expected to benefit from an inpatient stay and an interdisciplinary team approach to rehabilitation care.

In order for IRF services to be covered under the Medicare IRF benefit, submitted documentation must sufficiently demonstrate that a beneficiary's admission to an IRF was

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reasonable and necessary, according to Medicare guidelines. Key elements of IRF coverage criteria include a reasonable expectation that at the time of the beneficiary's admission to the IRF the beneficiary:

- Requires the active and ongoing therapeutic intervention of multiple therapy disciplines (physical therapy, occupational therapy, speech-language pathology, or prosthetics/orthotics) one of which must be physical or occupational therapy
- Generally requires an intensive rehabilitation therapy program. Under current industry standards, this intensive rehabilitation therapy program generally consists of at least 3 hours of therapy per day at least 5 days per week. In certain well-documented cases, this intensive rehabilitation therapy program might instead consist of at least 15 hours of intensive rehabilitation therapy within a 7 consecutive day period, beginning with the date of admission to the IRF
- Is sufficiently stable and can reasonably be expected to be able to actively participate in, and benefit significantly from, an intensive rehabilitation therapy program. The patient can only be expected to benefit significantly from the intensive rehabilitation therapy program if the patient's condition and functional status are such that the patient can reasonably be expected to make measurable improvement (that will be of practical value to improve the patient's functional capacity or adaptation to impairments) as a result of the rehabilitation treatment, and if such improvement can be expected to be made within a prescribed period of time
- Requires physician supervision by a rehabilitation physician, defined as a licensed physician with specialized training and experience in inpatient rehabilitation. The requirement for medical supervision means that the rehabilitation physician must conduct face-to-face visits with the patient at least 3 days per week throughout the patient's stay in the IRF to assess the patient both medically and functionally, as well as to modify the course of treatment as needed to maximize the patient's capacity to benefit from the rehabilitation process. (See 42 CFR 412.622, which is available at https://www.gpo.gov/fdsys/pkg/CFR-2011-title42-vol2/pdf/CFR-2011-title42-vol2-sec412-622.pdf.)
- Requires an intensive and coordinated interdisciplinary approach to providing rehabilitation

Required documentation elements for an IRF claim include, but are not limited to:

- A comprehensive preadmission screening that is:
    - Conducted by a licensed or certified clinician(s) designated by a rehabilitation physician
    - Completed within the 48 hours immediately preceding the IRF admission
    - Provides a detailed and comprehensive review of each patient's condition and medical history
- A post-admission physician evaluation that:

- Is conducted by a rehabilitation physician
- Is completed within 24 hours of the patient's admission to the IRF
- Provides documentation of the patient's status on admission to the IRF, including a comparison with the information noted in the preadmission screening documentation
- Support the medical necessity of the IRF admission

- An individualized plan of care that:
  - Is developed by a rehabilitation physician with input from the interdisciplinary team
  - Is based on the findings of the post-admission physician evaluation
  - Is completed within the first 4 days of the IRF admission
  - Supports the determination that the IRF admission is reasonable and necessary
- An Inpatient Rehabilitation Facility Patient Assessment Instrument (IRF-PAI)

Particular attention should be paid to documenting the patient's need for intensive rehabilitation therapy services requiring care in an IRF. Documentation in the patient's medical record must be accurate and avoid vague or subjective descriptions of the patient's care needs that would not be sufficient to indicate the need for intensive rehabilitation services.

Recently, the Centers for Medicare & Medicaid Services (CMS) advised its medical review contractors that when the current industry standard of providing in general at least 3 hours of therapy (physical therapy, occupational therapy, speech-language pathology, or prosthetics/orthotics) per day at least 5 days per week or at least 15 hours of intensive rehabilitation therapy within a 7-consecutive day period is not met, the claim should undergo further review. This further review will require the use of clinical review judgment to determine medical necessity of the intensive rehabilitation therapy program based on the individual facts and circumstances of the case, and not on the basis of any threshold of therapy time.

Also, CMS advised its medical review contractors that the standard of care for IRF patients is individualized (i.e., one-on-one) therapy. Group and concurrent therapy can be used on a limited basis within the current industry standard of generally 3 hours of therapy per day at least 5 days per week or at least 15 hours of intensive rehabilitation therapy within a 7-consecutive day period. In those instances in which group therapy better meets the patient's needs on a limited basis, the situation/rationale that justifies group therapy should be specified in the patient's medical record at the IRF.

For more information on billing and payment criteria related to IRFs, please refer to the following documentation:

- Chapter 3, Section 140.1.1 of the "Medicare Claims Processing Manual" (Pub. 100-04), entitled, "Criteria That Must Be Met By Inpatient Rehabilitation Facilities," which can be downloaded at https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c03.pdf
- Chapter 1, Section 110 of the "Medicare Benefit Policy Manual" (IRF Services), available at https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c01.pdf
- 42 CFR 412.622, which is available at https://www.gpo.gov/fdsys/pkg/CFR-2011-title42-vol2/pdf/CFR-2011-title42-vol2-sec412-622.pdf

ADDITIONAL INFORMATION

If you have questions, your MACs may have more information. Find their website at http://go.cms.gov/MAC-website-list.

The IRF regulation CMS-1688-F is available at https://www.federalregister.gov/documents/2018/08/06/2018-16517/medicare-program-inpatient-rehabilitation-facility-prospective-payment-system-for-federal-fiscal.

DOCUMENT HISTORY

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December 11, 2017	Initial article released.

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