New CMS Coverage Policy for Inpatient Rehabilitation Facility Services: Are You Prepared for the Changes?

As of January 1, 2010, Inpatient Rehabilitation Facilities (IRFs) are facing stricter coverage requirements, resulting from changes mandated by the IRF-PPS Final Rule. By way of a Transmittal dated October 23, 2009 and revised on January 4, 2010, CMS set forth revisions to the Medicare Benefit Policy Manual. Generally speaking, the new requirements set forth specific criteria by which CMS will make determinations as to whether services are "reasonable and necessary" and thus covered by Medicare.

Pre-Admission Screening

Prior to admission, a screening must be conducted including the following information:

- Prior level of functioning;
- Expected level of improvement;
- Expected length of time necessary to achieve that level of improvement;
- Risk for clinical complications;
- Specific treatments needed;
- Expected frequency and duration of the treatments;
- Anticipated destination to which the patient will ultimately be discharged;
- Anticipated post-discharge treatments that will be required; and
- Additional information relevant to the patient's care needs.

This pre-admission screening must occur within 48 hours of the patient's admission and must be performed by a rehabilitation physician, or by licensed or certified clinicians who are qualified to perform the evaluation and designated to do so by a rehabilitation physician. In all cases, a rehabilitation physician with appropriate specialized training and experience must review and concur with the findings of the screening evaluation prior to admission.

"Trial" IRF admissions, in which patients are admitted for 3 to 10 days to assess whether the patient would best benefit from treatment in an IRF or in other settings, will no longer be considered reasonable and necessary.

Post-Admission Physician Evaluation

A post-admission evaluation must also be performed, which is designed to document the patient's status after admission, compare it to that noted in the pre-admission screening, and begin to develop the patient's expected course of treatment. The post-admission evaluation must include a documented history and physical exam, as well as a review of the patient's prior and current medical and functional conditions and co-morbidities. This evaluation must be conducted within 24 hours of admission by a rehabilitation physician, with input from all members of the interdisciplinary team who will assist in carrying out the treatment plan.

Individualized Plan of Care

The patient's record must also contain an individualized overall plan of care, which must detail the following:

- Medical prognosis;
- Anticipated interventions that will be performed, including the expected intensity, frequency, and duration of each category of therapy services required;
- Desired functional outcomes; and
- Anticipated location to which the patient will be discharged following the IRF stay.

The individualized plan of care must be completed by a rehabilitation physician within 4 days of admission.

Admission Orders

Although IRF admission orders were always required, CMS clarified that orders must be generated for each patient at the time of IRF admission and maintained in the patient's medical record at the IRF.

IRF Patient Assessment Instrument (IRF-PAI)

The IRF-PAI forms must now be included in either electronic or paper form in the patient's medical record, must properly correspond to all other information contained in the patient's record, and must have a date and time data entry.

Criteria for Evaluating the Medical Necessity of an IRF Admission

There must also be a reasonable expectation at the time of admission that the following requirements will be met:

- The patient must require the active and ongoing therapeutic intervention of multiple therapy disciplines, at least one of which must be physical or occupational therapy;
- The patient must generally require an intensive rehabilitation therapy program, which typically will consist of at least 3 hours of therapy per day at least 5 days per week;
- The patient must reasonably be expected to actively participate in and benefit significantly from the therapy program; and
- The patient must require supervision by a rehabilitation physician, and the physician must conduct face-to-face visits with the patient at least 3 days per week throughout the patient's stay.

Miscellaneous

Finally, the new manual provisions also contain additional language clarifying when IRF services, as opposed to services provided in other rehabilitation settings, will be appropriate. For example, in order to support that interdisciplinary IRF services are necessary, the complexity of the patient's condition must be such that the rehabilitation goals can only be achieved by a coordinated effort by

an interdisciplinary treatment team consisting of, at a minimum, members from each of the following disciplines: 1) a rehabilitation physician with specialized training and experience in rehabilitation services; 2) a registered nurse with specialized training or experience in rehabilitation; 3) a social worker or a case manager; and 4) a licensed or certified therapist from each therapy discipline involved in treatment. All members of the team must meet at least weekly to reassess the patient's progress and rehabilitation goals and to modify the treatment plan as necessary.

There must also be a reasonable expectation that the patient will be able to actively participate in and significantly benefit from the services rendered, including a reasonable expectation that a measureable, practical improvement in the patient's functional condition can be accomplished within a predetermined and reasonable period of time. The patient need not be expected to return to complete independence, but must be able to make functional, ongoing and sustainable improvements as measured against the patient's condition at the beginning of treatment.

Conclusion

The new coverage policy represents a significant change from prior policy and imposes significant additional detailed requirements on IRFs. Thus, it is important that such facilities become familiar with the new policy and adopt policies and procedures designed to ensure that all requirements are met in order to ensure initial coverage or to avoid a potential adverse audit determination. For additional information regarding the new policy or for assistance in evaluating your current compliance efforts, please contact Wachler and Associates at (248) 544-0888.

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