



Medicare Claims Processing Manual Update: Inpatient Rehabilitation Facility

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Related Change Request (CR) Number: [CR 13587](#)

Implementation Date: July 12, 2024

Related CR Transmittal Number: R12575CP

Related CR Title: Internet Only Manual Updates to Publication 100-04 to Implement Updates to Policy (Inpatient Rehabilitation Facility (IRF))

Affected Providers

- Inpatient Rehabilitation Facilities (IRFs)
- Hospitals

Action Needed

Make sure your billing staffs know:

- Hospitals may open a new IRF unit at any time during the cost reporting year
- Any IRF unit excluded during a cost reporting year will stay excluded for the rest of the cost reporting year

Background

CR 13587 updates IRF policies per the FY 2024 IRF Prospective Payment System (PPS) [final rule](#) (88 FR 68494). The manual modifications in CR 13587 are to Section 140 of the Medicare Claims Processing Manual, [Chapter 3](#).

The updated requirements allow a hospital to open a new IRF unit anytime within the cost reporting year if it notifies:

- The CMS Regional Office of Program Operations and Local Engagement (OPOLE)
- Its Medicare Administrative Contractor (MAC)

The notifications must be in writing at least 30 days before the change date. Additionally, if a unit becomes excluded during a cost reporting year, this change will remain in effect for the rest of the cost reporting year.

Other manual updates are reminders for IRFs and include:

- Starting with the second week of admission to the IRF, a non-physician practitioner (NPP) who the IRF knows has specialized training and experience in inpatient rehabilitation may conduct 1 of the 3 required face-to-face visits with the patient per week, if such duties are within the NPP's scope of practice under applicable state law.
- A new IRF has a compliance review period that starts immediately when its cost reporting period starts, and ends 4 months before the start of its next cost reporting period. For example, a new IRF has a cost reporting period that starts on July 1, 2022, so its compliance review period would start on July 1, 2022, and end on February 28, 2023.

More Information

We issued CR 13587 to your MAC as the official instruction for this change. The revised manual section is part of the CR.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
April 15, 2024	Initial article released.

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