



Provider Inquiry Assistance

Inpatient Rehabilitation Facility (IRF) Annual Update: Prospective Payment System (PPS) Pricer Changes for Fiscal Year (FY) 2009 – JA6166

Related CR Release Date: September 5, 2008

Date Job Aid Revised: September 17, 2008

Effective Date: October 1, 2008

Implementation Date: October 6, 2008

Key Words MM6166, CR6166, R1585CP, IRF, PPS, Prospective

Contractors Affected

- Fiscal Intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (A/B MACs)

Provider Types Affected

IRFs submitting claims to FIs and/or A/B MACs for services provided to Medicare beneficiaries



Change Request (CR) 6166 provides updated rates used to correctly pay IRF PPS claims for FY 2009.

Provider Needs to Know...

- A new IRF PRICER software package will be released prior to October 1, 2008, that will contain the updated rates that are effective for claims with discharges that fall within October 1, 2008, through September 30, 2009.
- **The PRICER Updates** - For IRF PPS FY 2009, (October 1, 2008 – September 30, 2009) are:
 - The standard federal rate is \$12,958;
 - The fixed loss amount is \$10,250;
 - The labor-related share is 75.464%;
 - The non-labor related share is 24.536%;

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- Urban national average cost-to-charge ratio (CCR) is 0.490; and
 - Rural national average CCR is 0.619.
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Background The FY 2009 IRF PPS Final Rule published on August 1, 2008, sets forth the prospective payment rates applicable for IRFs for FY 2009.

**Operational
Impact** N/A

- Reference
Materials**
- The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6166.pdf> on the CMS website.
 - The official instruction (CR6166) issued regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1585CP.pdf> on the CMS website.
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