

FACT SHEET # 2

Compliance Threshold Percentages Associated With The Compliance Review Time Periods

For cost reporting periods that start on or after July 1, 2004, the table below illustrates the compliance percentage threshold that must be met during each compliance review period. The compliance review period is the time period from which data will be selected to determine if the compliance percentage threshold was met for a specific cost reporting period. In general, the compliance review period is 12 months. However, in certain situations, the time period is different.

A compliance review period may include a span of time from only one cost reporting period, or may span periods of time from two cost reporting periods.

For cost reporting periods that start on or after July 1, 2007, the compliance percentage threshold that the IRF must meet is 75 percent. However, for cost reporting periods that start on or after July 1, 2004, and on or before June 30, 2007, the compliance percentage threshold that an IRF must meet changes in accordance with the requirements specified in the regulations. (See 42 CFR 412.23(b)(2))

As illustrated in the table below, in order to allow the Regional Offices and fiscal intermediaries a 4-month time period to administer a compliance determination, if a cost reporting period starts on or after July 1, 2004, and before November 1, 2004, data from a compliance review period that is less than 12 months in length will be used to determine if the facility met all of the criteria necessary to be classified as an IRF for the next cost reporting period. For cost reporting periods beginning on or after November 1, 2004, data from the most recent, consecutive, and appropriate 12-month period of time would be used, in order to allow the Regional Offices and fiscal intermediaries a 4-month time period to administer a compliance determination.

The following example illustrates how the compliance percentage threshold is determined when a compliance review period spans two cost reporting periods:

An IRF that had a cost reporting period that previously started on July 1, 2004, has a cost reporting period that will start on July 1, 2005. Therefore the compliance review period for the cost reporting period that starts on July 1, 2005, has portions of time that are associated with two cost reporting periods. One cost reporting period started on July 1, 2004, and the other cost reporting period is the one that will start on July 1, 2005.

In this situation, each portion of the compliance review period must separately meet the compliance percentage threshold associated with the cost reporting period that includes that portion of time of the compliance review period. For example, as illustrated in the table below entitled "Table Of Compliance Review Periods," an IRF that has a cost reporting period that started on July 1, 2004, must meet a compliance threshold of 50

percent for the cost reporting period of July 1, 2004, to June 30, 2005. In addition, for the cost reporting period that starts on July 1, 2005, the IRF must meet a compliance threshold of 60 percent for the cost reporting period of July 1, 2005, to June 30, 2006. For the cost reporting period that starts on July 1, 2005, the IRF has a compliance review period consisting of March 1, 2005, to February 28, 2006. In this example, the time period from March 1, 2005, to June 30, 2005, is part of IRF's cost reporting period that started on July 1, 2004, and ends on June 30, 2005, and the time period from July 1, 2005, to February 28, 2006, is part of the IRF's cost reporting period that starts on July 1, 2005, and ends on June 30, 2006. Therefore, for the portion of the compliance review period from March 1, 2005, to June 30, 2005, the compliance percentage threshold that must be met is 50 percent. Similarly, for the portion of the compliance review period from July 1, 2005, to February 28, 2006, the compliance percentage threshold that must be met is 60 percent. If the IRF does not meet the compliance percentage threshold of 50 percent for the March 1, 2005, to June 30, 2005, portion of the compliance review time period, or the compliance percentage threshold of 60 percent for the July 1, 2005, to February 28, 2006, portion of the compliance review time period, it will be determined that the IRF failed to meet the compliance percentage threshold for the entire compliance review period consisting of March 1, 2005, to February 28, 2006.

Table Of Compliance Review Periods

For Cost Reporting Periods Beginning On:	Review Period: (Admissions Or Discharges During)	Number Of Months In Review Period	Compliance Percentage Threshold Associated With A Compliance Review Period Or Portions Of the Compliance Review Period	Compliance Determination Applies To Cost Reporting Period Beginning On:
07/01/2004	07/01/2004-02/28/2005	8	07/01/2004 to 02/28/2005: 50 %	07/01/2005
08/01/2004	07/01/2004-03/31/2005	9	07/01/2004 to 03/31/2005: 50 %	08/01/2005
09/01/2004	07/01/2004-04/30/2005	10	07/01/2004 to 04/30/2005: 50 %	09/01/2005
10/01/2004	07/01/2004-05/31/2005	11	07/01/2004 to 05/31/2005: 50 %	10/01/2005
11/01/2004	07/01/2004-06/30/2005	12	07/01/2004 to 06/30/2005: 50 %	11/01/2005
12/01/2004	08/01/2004-07/31/2005	12	08/01/2004 to 07/31/2005: 50 %	12/01/2005
01/01/2005	09/01/2004-08/31/2005	12	09/01/2004 to 08/31/2005: 50 %	01/01/2006
02/01/2005	10/01/2004-09/30/2005	12	10/01/2004 to 09/30/2005: 50 %	02/01/2006

03/01/2005	11/01/2004-10/31/2005	12	11/01/2004 to 10/31/2005: 50 %	03/01/2006
04/01/2005	12/01/2004-11/30/2005	12	12/01/2004 to 11/30/2005: 50 %	04/01/2006
05/01/2005	01/01/2005-12/31/2005	12	01/01/2005 to 12/31/2005: 50 %	05/01/2006
06/01/2005	02/01/2005-01/31/2006	12	02/01/2005 to 01/31/2006: 50 %	06/01/2006
07/01/2005	03/01/2005-02/28/2006	12	03/01/2005 to 06/30/2005: 50 % 07/01/2005 to 02/28/2006: 60 %	07/01/2006
08/01/2005	04/01/2005-03/31/2006	12	04/01/2005 to 07/31/2005: 50 % 08/01/2005 to 03/31/2006: 60 %	08/01/2006
09/01/2005	05/01/2005-04/30/2006	12	05/01/2005 to 08/31/2005: 50 % 09/01/2005 to 04/30/2006: 60 %	09/01/2006
10/01/2005	06/01/2005-05/31/2006	12	06/01/2005 to 09/30/2005: 50 % 10/01/2005 to 05/31/2006: 60 %	10/01/2006
11/01/2005	07/01/2005-06/30/2006	12	07/01/2005 to 10/31/2005: 50 % 11/01/2005 to 06/30/2006: 60 %	11/01/2006
12/01/2005	08/01/2005-07/31/2006	12	08/01/2005 to 11/30/2005: 50 % 12/01/2005 to 07/31/2006: 60 %	12/01/2006
01/01/2006	09/01/2005-08/31/2006	12	09/01/2005 to 12/31/2005: 50 % 01/01/2006 to 08/31/2006: 60 %	01/01/2007
02/01/2006	10/01/2005-09/30/2006	12	10/01/2005 to 01/31/2006: 50 % 02/01/2006 to 09/30/2006: 60 %	02/01/2007
03/01/2006	11/01/2005-10/31/2006	12	11/01/2005 to 02/28/2006: 50 % 03/01/2006 to 10/31/2006: 60 %	03/01/2007
04/01/2006	12/01/2005-11/30/2006	12	12/01/2005 to 03/31/2006: 50 % 04/01/2006 to 11/30/2006: 60 %	04/01/2007
05/01/2006	01/01/2006-12/31/2006	12	01/01/2006 to 04/30/2006: 50 % 05/01/2006 to 12/31/2006: 60 %	05/01/2007
06/01/2006	02/01/2006-01/31/2007	12	02/01/2006 to 05/31/2006: 50 % 06/01/2006 to 01/31/2007: 60 %	06/01/2007
07/01/2006	03/01/2006-02/28/2007	12	03/01/2006 to 06/30/2006: 60 % 07/01/2006 to 02/28/2007: 65 %	07/01/2007
08/01/2006	04/01/2006-03/31/2007	12	04/01/2006 to 07/31/2006: 60 % 08/01/2006 to 03/31/2007: 65 %	08/01/2007
09/01/2006	05/01/2006-04/30/2007	12	05/01/2006 to 08/31/2006: 60 % 09/01/2006 to 04/30/2007: 65 %	09/01/2007
10/01/2006	06/01/2006-05/31/2007	12	06/01/2006 to 09/30/2006: 60 % 10/01/2006 to 05/31/2007: 65 %	10/01/2007
11/01/2006	07/01/2006-06/30/2007	12	07/01/2006 to 10/31/2006: 60 % 11/01/2006 to 06/30/2007: 65 %	11/01/2007
12/01/2006	08/01/2006-07/31/2007	12	08/01/2006 to 11/30/2006: 60 % 12/01/2006 to 07/31/2007: 65 %	12/01/2007

01/01/2007	09/01/2006-08/31/2007	12	09/01/2006 to 12/31/2006: 60 % 01/01/2007 to 08/31/2007: 65 %	01/01/2008
02/01/2007	10/01/2006-09/30/2007	12	10/01/2006 to 01/31/2007: 60 % 02/01/2007 to 09/30/2007: 65 %	02/01/2008
03/01/2007	11/01/2006-10/31/2007	12	11/01/2006 to 02/28/2007: 60 % 03/01/2007 to 10/31/2007: 65 %	03/01/2008
04/01/2007	12/01/2006-11/30/2007	12	12/01/2006 to 03/31/2007: 60 % 04/01/2007 to 11/30/2007: 65 %	04/01/2008
05/01/2007	01/01/2007-12/31/2007	12	01/01/2007 to 04/30/2007: 60 % 05/01/2007 to 12/31/2007: 65 %	05/01/2008
06/01/2007	02/01/2007-01/31/2008	12	02/01/2007 to 05/31/2007: 60 % 06/01/2007 to 01/31/2008: 65 %	06/01/2008
07/01/2007	03/01/2007-02/29/2008	12	03/01/2007 to 06/30/2007: 65 % 07/01/2007 to 02/29/2008: 75 %	07/01/2008
08/01/2007	04/01/2007-03/31/2008	12	04/01/2007 to 07/31/2007: 65 % 08/01/2007 to 03/31/2008: 75 %	08/01/2008
09/01/2007	05/01/2007-04/30/2008	12	05/01/2007 to 08/31/2007: 65 % 09/01/2007 to 04/30/2008: 75 %	09/01/2008
10/01/2007	06/01/2007-05/31/2008	12	06/01/2007 to 09/30/2007: 65 % 10/01/2007 to 05/31/2008: 75 %	10/01/2008
11/01/2007	07/01/2007-06/30/2008	12	07/01/2007 to 10/31/2007: 65 % 11/01/2007 to 06/30/2008: 75 %	11/01/2008
12/01/2007	08/01/2007-07/31/2008	12	08/01/2007 to 11/30/2007: 65 % 12/01/2007 to 07/31/2008: 75 %	12/01/2008
01/01/2008	09/01/2007-08/31/2008	12	09/01/2007 to 12/31/2007: 65 % 01/01/2008 to 08/31/2008: 75 %	01/01/2009
02/01/2008	10/01/2007-09/30/2008	12	10/01/2007 to 01/31/2008: 65 % 02/01/2008 to 09/30/2008: 75 %	02/01/2009
03/01/2008	11/01/2007-10/31/2008	12	11/01/2007 to 02/29/2008: 65 % 03/01/2008 to 10/31/2008: 75 %	03/01/2009
04/01/2008	12/01/2007-11/30/2008	12	12/01/2007 to 03/31/2008: 65 % 04/01/2008 to 11/30/2008: 75 %	04/01/2009
05/01/2008	01/01/2008-12/31/2008	12	01/01/2008 to 04/30/2008: 65 % 05/01/2008 to 12/31/2008: 75 %	05/01/2009
06/01/2008	02/01/2008-01/31/2009	12	02/01/2008 to 05/31/2008: 65 % 06/01/2008 to 01/31/2009: 75 %	06/01/2009
07/01/2008	03/01/2008-02/28/2009	12	03/01/2008 to 06/30/2008: 75 % 07/01/2008 to 02/28/2009: 75 %	07/01/2009
08/01/2008	04/01/2008-03/31/2009	12	04/01/2008 to 07/31/2008: 75 % 08/01/2008 to 03/31/2009: 75 %	08/01/2009