

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-08 Medicare Program Integrity	Centers for Medicare & Medicaid Services (CMS)
Transmittal 771	Date: February 23, 2018
	Change Request 10482

SUBJECT: Clarification of Instructions Regarding the Intensive Level of Rehabilitation Therapy Services Requirements

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to clarify the instructions for conducting medical review of Inpatient Rehabilitation Facility (IRF) claims when reviewing the requirements for the intensive level of rehabilitation therapy services.

EFFECTIVE DATE: March 23, 2018

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: March 23, 2018

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	6/Table of Contents
N	6/6.7/Medical Review of Inpatient Rehabilitation Facility (IRF) Services
N	6/6.7/6.7.1/Reviewing for Intensive Level of Rehabilitation Therapy Services Requirements

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

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SUBJECT: Clarification of Instructions Regarding the Intensive Level of Rehabilitation Therapy Services Requirements

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I. GENERAL INFORMATION

A. Background: This CR clarifies the instructions for conducting medical review of IRF claims when reviewing the requirements for the intensive level of rehabilitation therapy services.

B. Policy: There are no regulatory, legislative, or statutory requirements related to this CR.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
10482.1	Contractors shall verify that the IRF documentation requirements are met in accordance with Pub 100-02, Medicare Benefit Policy Manual, Chapter 1, Section 110.	X								CERT, RACs, SMRC
10482.2	Contractors shall not make denials based solely on any threshold of therapy time.	X								CERT, RACs, SMRC
10482.3	Contractors shall use clinical review judgment to determine medical necessity of the intensive rehabilitation therapy program based on the individual facts and circumstances of the case.	X								CERT, RACs, SMRC
10482.4	Contractors shall not make denials solely because the situation/rationale that justifies group therapy is not specified in the patient's medical records at the IRF.	X								CERT, RACs, SMRC

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jennifer Phillips, 410-786-1023 or jennifer.phillips@cms.hhs.gov , Olufemi Shodeke, 410-786-1649 or olufemi.shodeke@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Program Integrity Manual

Chapter 6 - Medicare Contractor Medical Review Guidelines for Specific Services

Table of Contents
(Rev.771, Issued: 02-23, 2018)

Transmittals for Chapter 6

6.7 - Medical Review of Inpatient Rehabilitation Facility (IRF) Services

6.7.1 – Reviewing for Intensive Level of Rehabilitation Therapy Services Requirements

6.7 - Medical Review of Inpatient Rehabilitation Facility (IRF) Services
(Rev. 771; Issued: 02-23-18; Effective: 03-23-18; Implementation: 03-23-18)

This section applies to Medicare Administrative Contractors (MAC), Supplemental Medical Review Contractor (SMRC), Recovery Audit Contractors (RAC) and the Comprehensive Error Rate Testing (CERT) contractor, as indicated.

6.7.1 – Reviewing for Intensive Level of Rehabilitation Therapy Services Requirements
(Rev. 771; Issued: 02-23-18; Effective: 03-23-18; Implementation: 03-23-18)

When reviewing IRF claims, the MAC, SMRC, CERT and RAC shall verify that the IRF documentation requirements are met in accordance with IOM 100-02, Medicare Benefit Policy Manual, Chapter 1, Section 110.

The MAC, SMRC, CERT and RAC shall not make absolute claim denials based solely on a threshold of therapy time not being met. When the current industry standard of generally 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 shall undergo further review.

The MAC, SMRC, CERT and RAC shall use 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.

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. However, MAC, SMRC, CERT and RAC shall not deny solely because the situation/rationale that justifies group therapy is not submitted in response to an ADR.