

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 13674	Date: March 12, 2026
	Change Request 14316

SUBJECT: Provider Education for the Review Choice Demonstration (RCD) for Inpatient Rehabilitation Facility Services (IRFs)

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to instruct the Medicare Administrative Contractor (MAC) JE to provide education for IRF providers regarding the RCD process for IRFs who are physically located in and bill to California, then expand to IRFs who bill to all the states in JE, regardless of where services are rendered.

EFFECTIVE DATE: May 1, 2026

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

IMPLEMENTATION DATE: May 1, 2026

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/revise 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
N/A	N/A

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:

One Time Notification

Attachment - One-Time Notification

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II. GENERAL INFORMATION

A. Background: During this 5-year intervention period, the Centers for Medicare & Medicaid Services (CMS) will test the use of review options for IRFs covered under Part A of the Medicare Fee-for-Service (FFS) program through the IRF Review Choice Demonstration. CMS will test this demonstration in accordance with section 402(a)(1)(J) of the Social Security Act (the Act), which authorizes the Secretary to “develop or demonstrate improved methods for the investigation and prosecution of fraud in the provision of care or services under the health programs.”

As part of the IRF, providers in the demonstration must submit 100 percent pre-claim review or postpayment review for all IRFs who bill to MAC jurisdictions JJ, JL, JE, and JE. IRFs that do not actively select one of the initial two review choices will be automatically assigned to participate in postpayment review. Every six months, the provider’s pre-claim review affirmation rate or postpayment review will be calculated to determine compliance to choose from three subsequent review options - pre-claim review, selective postpayment review, or spot check prepayment review. Operational instructions for the IRF RCD are provided under separate instructions.

This CR provides instructions to the contractor for education regarding the IRF RCD. CMS will educate physicians and providers about this demonstration by sending the Introductory Letters attached to this CR, as well as communicating related requirements and resources to access additional information.

B. Policy: Section 1862(a)(1) of the Act and Section 402(a)(1)(J) of the Act

III. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility										
		A/B MAC			D M E M A C	Shared-System Maintainers				Other		
		A	B	H H H		F I S S	M C S	V M S	C W F			
	additional MAC instructions are finalized, MACs shall include that information in their education.											
14316.5.1	The MACs shall, at a minimum, provide public access to the agency- developed information, including, but not limited to, any developed RCD operational guides, special Medicare Learning Network materials, and/or other support materials, by posting the link(s) on their website.										JE A/B MAC	

IV. PROVIDER EDUCATION

None

Impacted Contractors: None

V. 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

VI. CONTACTS

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

VII. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0