

## **Reset and Recalibrate the IMPACT Act**

**AAPM&R urges Congress to pass *The Resetting the IMPACT Act (TRIA) of 2020 (H.R. 8826)* to ensure that the development of a unified post-acute care (PAC) payment system incorporates lessons learned from the COVID-19 pandemic.**

This legislation, introduced by Reps. Terri Sewell (D-AL), Tom Suozzi (D-NY) and Bill Pascrell (D-NJ), would “reset and recalibrate” the implementation timeline for the Improving Medicare Post-Acute Care Transformation (“IMPACT”) Act of 2014 to ensure that the Centers for Medicare and Medicaid Services (“CMS”) can incorporate patient and quality data that reflect the impact of COVID-19 and other recent changes to Medicare PAC payment. Additionally, this bill would ensure that data on social determinants of health (“SDOH”) are also incorporated into CMS’ analytical work.

### **IMPACT Act Background**

Currently, Medicare pays for post-acute care (“PAC”) services – including inpatient rehabilitation facilities (“IRFs”), skilled nursing facilities (“SNFs”), long-term care hospitals (“LTCHs”), and home health agencies (“HHAs”) – using separate prospective payment systems for each setting. These payment “silos” account for the differences in levels of care and provider needs in each of the 4 PAC settings.

The IMPACT Act of 2014 directed CMS and the Medicare Payment Advisory Commission (“MedPAC”) to begin developing models for a “unified” PAC payment system, using at least two years’ worth of patient and quality measure data for each setting. However, since the IMPACT Act’s enactment, CMS has implemented significant payment changes to the SNF and HHA settings, and the COVID-19 pandemic has upended the provision of post-acute care.

### **AAPM&R Principles for a Medicare Unified PAC Payment System**

As Congress and CMS consider proposals for the design and structure of a unified PAC payment system, AAPM&R has developed a set of principles to evaluate all models and ensure that patients are protected. *H.R. 8826* will allow for sufficient time to develop a model that incorporates these principles while ensuring that model also reflects the impact of the COVID-19 pandemic and other policy changes. Our principles are detailed further in an attached document.

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| <ol style="list-style-type: none"> <li><b>1. Meet Patient Needs</b></li> <li><b>2. Appropriate Financial Incentives</b></li> <li><b>3. Prioritize Functional Outcomes</b></li> <li><b>4. Cognitive Status</b></li> <li><b>5. Efficiency</b></li> <li><b>6. Role of the Psychiatrist</b></li> </ol> | <ol style="list-style-type: none"> <li><b>7. Psychiatrist-Driven System Based on Psychiatrist Expertise</b></li> <li><b>8. Training Opportunities</b></li> <li><b>9. PAC Setting Flexibility</b></li> <li><b>10. Data Sharing and Access to Data</b></li> <li><b>11. Demonstration Project and Phase-in Approach</b></li> </ol> |
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**AAPM&R asks Congress to support and enact *The Resetting the IMPACT Act (TRIA) of 2020 (H.R. 8826)* to ensure that a unified PAC payment system incorporates data from the COVID-19 pandemic and to consider AAPM&R’s principles when evaluating any proposed model for implementation.**