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Medical Rehabilitation Hospital and Physician Associations Jointly Urge Biden Administration to Withdraw Proposed Audit Demonstration that Risks Patient Access to Care

Review of 100% of rehabilitation hospital claims will create major barriers to patient access, undermine physician judgment, and pose huge burdens on rehabilitation hospitals during a public health emergency.

The American Medical Rehabilitation Providers Association (AMRPA) and the American Academy of Physical Medicine and Rehabilitation (AAPM&R) are joining forces to urge the Centers for Medicare & Medicaid Services (CMS) to withdraw its proposal to implement a new “Review Choice Demonstration” for inpatient rehabilitation hospitals and units, commonly referred to as inpatient rehabilitation facilities, or “IRFs”. After submitting separate comment letters on February 16th, the two associations are jointly pressing for a complete rethinking by the Biden Administration of efforts to ensure Medicare beneficiaries have appropriate access to IRF care.

The demonstration subjects IRFs in select states to either 100% pre-claim or post-payment reviews for all Medicare beneficiary admissions. This would present serious risks to patients, would overrule the professional judgment of treating physicians by trained nurse reviewers, and would create extensive new paperwork and financial burdens on rehabilitation hospitals. While the proposal will be extremely burdensome and costly for both IRFs and CMS to implement, the **primary concern** of this new demonstration project is that the new requirements will result in **severe access limitations** and disruptions in care for Medicare beneficiaries in need of hospital-level rehabilitation.

Stuart Weinstein, M.D., AAPM&R President, framed the demonstration as having the potential to fundamentally alter the types of patients who receive medical rehabilitation provided in IRFs. “With 100% review of IRF claims and a dysfunctional appeals process that precludes timely, independent decisions by neutral third parties, the decisions of [Medicare Audit Contractors] reviewers will literally transform the kinds of beneficiaries who have access to IRF care and the way physicians practice inpatient hospital rehabilitation.”

Anthony Cuzzola, Chair of the AMRPA Board of Directors, agrees that the proposed demonstration “reflects a misunderstanding of the value of IRF services. Inpatient rehabilitation hospitals play a critical role in the continuum of care for complex patients. IRFs provide intensive rehabilitation and medical management designed to enable beneficiaries to recover, regain their skills and functions, return to their homes and communities, and resume active lives.”

“First and foremost,” added Mr. Cuzzola, “CMS should withdraw this flawed demonstration model, meet with stakeholders, and develop a common understanding of which beneficiaries belong in rehabilitation hospitals.” Medicare’s contractors and the IRF field have long disagreed on the medical necessity of IRF care and this was reflected in the Recovery Audit Contractor demonstration project in 2008. Thousands of IRF denials, primarily in California, were overturned in favor of providers and CMS had to place the demonstration on hold for months.

Under current Medicare regulations, every Medicare beneficiary admitted to an IRF must be approved by a physician with experience and expertise in rehabilitation. The demonstration is designed to permit nurse reviewers to second-guess the medically necessity determinations of rehabilitation physicians who have years of experience and expertise in IRF care. Dr. Weinstein noted, “A review exclusively of documentation, after the fact, cannot replicate the depth of experience of the rehabilitation physician who makes the admission decisions [...this] demonstration project, as proposed, has the potential to allow corporate contractors of the federal government to practice medicine, overruling the medical judgment and clinical decision-making of treating rehabilitation physicians across the country.”

AAPM&R and AMRPA also oppose the demonstration for other reasons. CMS should not be implementing a large-scale demonstration of this nature in the midst of the COVID-19 public health emergency and, instead, allow rehabilitation providers to focus on patient care. The rehabilitation organizations also oppose the demonstration due to the inevitability of extensive paperwork and bureaucratic burdens, the lack of an expedited appeals mechanism to timely resolve disputes, and the real potential for delays and denials of care.

For instance, IRFs that undergo pre-claim review (rather than post-payment review) will receive claim denials during a patient's individualized and comprehensive course of treatment in the rehabilitation hospital. In these cases, stated Cuzzola, "the IRF will be placed in the impossible position of either deciding to continue treating the patient and incurring a claim denial and a years-long appeals process, or exposing the patient to a potentially harmful discharge process to another setting of care, disrupting care by discharging the patient in the midst of treatment."

While firmly opposed to the proposed demonstration model, both organizations offered recommendations to significantly rework the program to better achieve CMS's objectives with far less impact on patients and providers. The full text of AMRPA's comment letter in response to the proposed Inpatient Rehabilitation Facility Review Choice Demonstration is [available here](#) and the full text of the AAPM&R's statement is [available here](#).

AAPM&R is the national medical specialty organization representing more than 9,000 physicians who are specialists in physical medicine and rehabilitation (PM&R). PM&R physicians, also known as "physiatrists," are medical experts in a wide variety of conditions that affect nearly every organ system including, but not limited to, the brain, spinal cord, nerves, bones, joints, ligaments, muscles, and tendons. PM&R physicians evaluate and treat injuries, illnesses, and disability, and are experts in designing comprehensive, interdisciplinary, patient-centered treatment plans. Physiatrists utilize cutting-edge as well as time-tested treatments to maximize recovery, functional status, and quality of life.

AMRPA is the nation's only trade organization dedicated solely to the interests of inpatient rehabilitation and represents more than 650 freestanding rehabilitation hospitals and rehabilitation units of general hospitals. AMRPA member hospitals help their patients maximize their health, functional ability, independence and participation in society so they are able to return to home, work or an active retirement. For more information, visit amrpa.org and follow AMRPA on [Twitter](#), [Facebook](#) and [LinkedIn](#).