

## **Medicare Post-Acute Care Reform**

As the national policy goal of paying for value rather than volume continues to shape the health care system, many strategies are being pursued to improve patient outcomes and quality while reducing the cost of care. As Congress considers post-acute care (PAC) reform, AAPM&R urges Congress to avoid enacting harmful Medicare proposals that would establish arbitrary barriers to patient access to medical rehabilitation in post-acute care settings.

Physiatrists – specialists in physical medicine and rehabilitation who treat patients across all PAC settings – serve the important function of prescribing the most appropriate rehabilitation treatment plan that best meets the Medicare beneficiary’s medical rehabilitation needs. Access to timely rehabilitation provided in the proper setting, at the appropriate level of intensity and coordination, can help many patients regain significant functions lost to illness or injury and live independent, fulfilling lives.

Recent legislative accomplishments, including the enactment of the “IMPACT” Act in 2014, have helped set the stage for improvements across PAC settings necessary in order to propose informed PAC reforms that do not compromise patient care. However, those efforts are just beginning and it will be some time before IMPACT Act advances will help inform PAC policy.

**AAPM&R supports the transition to value-based purchasing (VBP) in PAC settings.** As Congress considers PAC VBP reform, AAPM&R urges consideration of:

1. **Timing:** PAC providers are undergoing extensive changes right now; allow the results of the IMPACT Act to inform targeted reforms that drive value-based solutions.
2. **Withhold:** Carefully consider any payment withholds to this vulnerable sector, and work with stakeholders to phase-in appropriate changes over time.
3. **Quality Measures:** PAC VBP must contain *multiple* measures that assess *functional outcomes*. Value does not consist simply of short-term savings to the government. A true assessment of value includes examination of patient outcomes and reduced, unnecessary long-term costs. All measures must be risk-adjusted, not just between PAC settings, but *between the same types of providers (at the facility level)*.
4. **Budget Neutrality:** Savings achieved through PAC VBP should be reinvested into regulatory relief to improve the provision of PAC care.

Legislation such as H.R. 3298, The Medicare Post-Acute Care Value Based Purchasing Act of 2015 (114<sup>th</sup> Congress), has been important in driving the conversation. This legislation underscores the importance of the consideration of timing vis-à-vis implementation of the IMPACT Act, the inclusion of functional measures to truly understand the impact of PAC services on patient outcomes, and the size of the withhold itself. **AAPM&R looks forward to continuing to collaborate with Congress on advancing the field toward value-based care.**

**For more information, contact:**

Paul Smedberg, Director, Advocacy & Government Affairs, AAPM&R  
 (202) 420-5907 or [psmedberg@aapmr.org](mailto:psmedberg@aapmr.org)