

January 30, 2026

The Honorable Mehmet C. Oz, MD, MBA
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445–G
200 Independence Avenue, SW
Washington, DC 20201

Re: Review Choice Demonstration (RCD) for Inpatient Rehabilitation Facility (IRF) Services

Dear Administrator Oz:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am writing to oppose the Centers for Medicare & Medicaid Services' (CMS) expansion of the Review Choice Demonstration (RCD) for Inpatient Rehabilitation Facility (IRF) Services and to urge the Agency to discontinue the project. This Biden Administration demonstration project imposes broad, mandatory review requirements on all inpatient rehabilitation admissions despite a lack of evidence that it is identifying significant problems that would justify its scope, cost, administrative complexity, or added regulatory burden. The AMA is deeply concerned that the RCD is negatively impacting patient access to care and substantially increasing the burdens on providers.

CMS initially implemented the demonstration in Alabama in 2023 and Pennsylvania in 2024 and is now expanding the program to Texas and California, with additional expansion anticipated that encompasses 17 states, three U.S. territories, and the District of Columbia. If fully implemented, CMS estimates that the IRF RCD will apply to 526 freestanding rehabilitation hospitals and hospital-based inpatient rehabilitation units across the United States, nearly half of all inpatient rehabilitation facilities nationwide, raising serious concerns about the cumulative impact of the program on provider burden across the Medicare program.

Under the demonstration, CMS requires 100 percent pre- or post-claim review of all IRF admissions in participating states. Although characterized as a compliance initiative, this approach functions in practice as a universal prior authorization requirement. The AMA has long raised concerns about burdensome prior authorization practices that delay care and impose substantial administrative costs without improvements in quality or program integrity. We greatly appreciate the steps you have taken to reduce these burdens. Applying a blanket review requirement to all inpatient rehabilitation admissions, however, will exacerbate our concerns by mandating extensive documentation and repeated contractor interactions even when treating physicians have already determined that care is medically necessary, diverting important clinical and administrative resources away from patient care.

Available [data](#) from the initial demonstration states indicate high affirmation rates, meaning that the vast majority of reviewed admissions were found to meet Medicare coverage and medical necessity requirements. At the same time, there is little to no evidence showing that the demonstration has improved patient access, clinical outcomes, or meaningfully reduced improper payments. Despite these results, CMS continues to impose a mandatory 100 percent review, raising questions about whether the

demonstration is appropriately targeted to its stated goals. The AMA is also concerned about the impact of this demonstration on Medicare beneficiaries with complex and time sensitive clinical needs. IRF care is an important part of all health care systems, providing intensive inpatient rehabilitation to patients who sustain major injuries or illnesses, such as stroke, traumatic brain injuries, limb amputation, hip fractures, major neurological impairments, or spinal cord injuries. IRF admissions often occur during time-sensitive care transitions, and delays in admission decisions can prolong hospital stays, disrupt recovery, and negatively affect patient outcomes. Even when treating physicians determine that IRF care is reasonable and necessary, the demonstration introduces an additional risk of delay that can negatively influence patient care.

The demonstration is also costly, consuming resources that could be better directed toward patient care or other Medicare priorities, including improving physician payment. In addition, this demonstration was developed during the previous Biden Administration. The current administration was not involved in its planning or initial implementation. In [Executive Order 14192](#), Unleashing Prosperity through Deregulation, the current administration directed federal agencies to “alleviate unnecessary regulatory burdens placed on the American people” and to manage the cost of regulations responsibly, including identifying existing regulations for repeal. Given the absence of publicly available evaluation data demonstrating that the program achieves its objectives without harming access to care, the AMA believes it is appropriate for CMS, under the current administration, to discontinue this demonstration project.

Thank you for your attention to this important matter. The AMA shares CMS’ commitment to program integrity and welcomes the opportunity to engage constructively on approaches that safeguard the Medicare program. We believe there is an opportunity to work collaboratively with CMS and relevant stakeholders to identify more targeted, evidence-based strategies that address improper payments and that avoid broad based administrative requirements that impede timely access to medically necessary inpatient rehabilitation care. Please reach out to me directly at 312-464-5288 or John.Whyte@ama-assn.org if you have questions or need further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Whyte', with a stylized, cursive script.

John Whyte, MD, MPH