Eli's Rehab Report

Industry Update: Find Out What Might Be Coming Down the Rehab Pike

One expert sees this issue as the 'most pressing concern.'

Rehab Report recently tapped experts for their views on the rehabilitation therapy industry.

First, the good news: "When you look at the Bureau of Labor Statistics, the outlook for rehab professions is very strong and rosy. Job prospects are good over the next five to 10 years," says **Tim Nanof,** manager of federal affairs for the American Occupational Therapy Association.

"We are in a tight spot with state and federal budgets right now, however," he adds. "But the demand for therapies will grow dramatically." Nanof predicts the industry "will continue to see a struggle with payment dampening the outlook over the next couple of years. Once the recession ends, and everything turns around, things will look even more rosy for therapy."

Look for This Potential Development

"For inpatient rehabilitation," says industry consultant **Fran Fowler,** "the one card to be played is what happens to the rules that currently govern SNFs and IRFs in terms of whether they will allow swing beds." By that, she's referring to "where a hospital can make a bed an IRF bed for 12 days and then swing it to a SNF bed." Thus, "you'd basically have a two-step rehab process," she adds. "The patient would be in one location for the full rehab stay and would get therapy appropriate to their needs," adds Fowler, president of Fowler Healthcare Affiliates in Atlanta, Ga.

As it stands now, "the same bed can't swing between being a SNF bed and an IRF bed," Fowler explains. "You have to be licensed under certain categories to treat certain conditions."

Fowler predicts that "if CMS keeps the rules as they are, we will see shorter stays in IRFs and in skilled facilities, and more home health and outpatient rehab."

Fowler also foresees "more use of rehabilitation therapy in the future but for shorter periods of time as people look for ways to keep the older population more functional. When people lose their functionality they become homebound -- you see a spiraling downward," she adds. "That said, rehab still remains the best practice for keeping an aging population functional."

Definitions, Focus of Care Are Critical, Say Experts

"If the government or anyone is talking about trying to cover more individuals, the definition of terms becomes extremely critical, including the definition of coverage," observes **Ken Mailly, PT, MPA,** with Mailly & Inglett Consulting LLC in Wayne, N.J. Thus, in his view, "the most pressing concern right now is the definition of rehabilitation, covered services, and necessary services."

Mailly notes that "this has been an issue that's been largely under the radar for Medicare when it was a smaller program." He points out that the "generally accepted definition" of rehab has been helping someone recover the ability to do something. But "then you start getting into discussions: Is it an ability the person really needs? We have run into this on the commercial payer side where some reviewers of care apparently think it's good enough to be able to walk even if you can't walk quickly," Mailly says.

"Certainly Medicare has said that reasonable progress is necessary to continue therapy," Mailly continues. "But if we are talking about the ability to be rehabbed, you have to look at prior and current level of function and what led to the current level of function -- and can the prior level be recovered, and if so, in a reasonable period of time?"

Mailly says he believes "these issues will become even more important over time as coverage is expanded. What's become a relatively minor concern in the past will become a much bigger one."

"On the big picture side, we truly are in an area where themes appear to be driving fiscal decisions and in the absence of real hard facts," observes **Larry Lane,** VP of government relations with Genesis HealthCare Corp. in Kennett Square, Pa. As a "vintage example," he points to the "focus on wellness and prevention. "I'm not suggesting that there should not be [such a focus]," he adds -- "but not to the extent that prevention is being sort of hyped as an alternative to recuperation ... where the government detracts and subtracts from resources necessary for restoration and recuperation."

Lane says he's a "strong proponent" of the concept -- "as Dr. T. Franklin Williams, former director of the National Institute on Aging, wrote so many times -- that the essence of geriatric medicine is rehabilitation. It is about restoring function and maintaining and coping," adds Lane.

Fraud & Abuse an Ongoing Worry

Mailly notes that "auditing and investigation of claims for rehab services have already ramped up" -- a trend that he doesn't expect to "abate anytime soon."

And "as an industry, rehab providers have to get their act together and make sure patient experiences" like one he recently heard about from a patient "are the very rare exception."

What happened: The patient relayed that she was receiving therapy paid for by a commercial payer related to a disability claim. "The 'therapy' she received involved being put in a room alone in a clinic and told to do a series of exercises," Mailly reports. He notes that "a plan may cover 20 visits a year, which is becoming fairly common. And if 10 of those visits consist of exercising alone in a room unsupervised -- that's doesn't even fit a legitimate definition of PT. That's fraudulent, but it again touches on the whole definition of [what rehab is].What is skilled and what is necessary?"

Mailly says he can foresee "any bureaucrat who is concerned about healthcare spending covering less and broadening the definition of fraud and making it easier to attack something as fraud -- although when someone is left unsupervised to do exercises is clearly fraud. All of these concerns will become amplified."