

Eli's Rehab Report

IRFs: Prepare for 2008 Now: Grab the Highlights of Your Proposed IRF PPS Rule

You still can't count comorbidities at the 75 percent threshold

No need to be intimidated by the lengthy 2008 IRF PPS proposed rule. TCI has reviewed it and revealed the key highlights for you. See where you stand on the 75 Percent Rule timeline, and get geared up to make some key comments to your lawmakers.

Review the 75 Percent Rule Deadline

No surprise here: The proposed rule recapped some important compliance threshold dates for IRF. But just remember, the countdown to the 75 percent compliance threshold "varies a bit, depending on when your new cost reporting period begins," says **Ann Lambert Kremer, OTR/L, MHSA, CPC**, with Beacon Rehab Solutions in Portland, Maine.

The breakdown: If your facility has a cost reporting period beginning on July 1, 2007, you will see your threshold increase from 60 percent to 65 percent on July 1, 2007, Kremer says. If your cost reporting period begins on Aug. 1, 2007, your threshold will go from 60 percent to 65 percent on Aug. 1, 2007.

But if your new cost reporting period started Jan. 1, 2007, you remain at 60 percent until Dec. 31, 2007, and increase to a 65 percent threshold on Jan. 1, 2008, she says. Then, the first facilities to jump to the 75 percent threshold are those facilities with a new cost reporting period beginning July 1, 2008.

Don't miss: You should also be aware that the rules haven't changed about counting comorbidities toward your compliance threshold. "Under the 75 percent rule, CMS regulations allow comorbidities that meet the regulatory criteria to be used to determine the compliance percentage for cost reporting periods that begin before July 1, 2008," the CMS explained in a press release.

But this provision, adopted for IRFs with cost reports beginning on or after July 1, 2004, "is scheduled to expire for cost reporting periods that will begin on or after July 1, 2008," the agency reminded providers. But the good news is that CMS said it is soliciting comments and research to extend this provision or to make it a permanent policy.

Also note that the outlier threshold has increased, which "tends to hurt teaching facilities with complicated cases," Kremer says.

Keep Writing Your Lawmakers

Even if you've already sent in letters about the 75 Percent Rule, sending them again or sending them to multiple people doesn't hurt. Providers should offer comments on the rule to CMS, as well as to their senators and representatives, says **Fran Fowler, FAAHC**, president of Fowler Healthcare Affiliates Inc. in Atlanta.

Incentive: "For such a small industry, inpatient rehab has been very effective in slowing down the compliance threshold," Fowler says, referring to the year extension on the 65 percent threshold. Larger industries, on the other hand, like the nursing home industry, were not as successful in slowing down its ominous legislation, she says. The IRF industry still has a long way to go, but knowing that some ears are listening always helps.

Tip: When you write your lawmakers, share your "quantifiable" success stories about patients with noncompliant diagnoses, and include how an IRF stay enabled the patient to return home rather than enter long-term care, Kremer

says.

You can also argue that if the current allowances for comorbidities are good enough for CMS to have kept them in existence for several years, then they should still be appropriate when the threshold goes to 75 percent, Fowler says.

Prediction: "I honestly think CMS will see how much it has slowed the rehab industry to remain budget neutral--and if it has, it may back off on the 75 Percent Rule or the comorbidities provision," Fowler says.

But the bottom line is, you can still fight for survival by responding to the proposed rule. For instructions on how to do so, visit www.cms.hhs.gov/inpatientrehabfacpps/downloads/cms1551P.pdf, and see page 1.