

Eli's Rehab Report

Reimbursement: MedPAC Wants Therapy Out of PPS Equation

Commission won't let copay issue drop.

In addition to a rate freeze, the **Medicare Payment Advisory Commission** (MedPAC) has a few more recommendations for **Congress**. MedPAC wants the **Centers for Medicare & Medicaid Services** (CMS) to eliminate therapy as a factor in the home health prospective payment system, it said at its December 2015 and January meetings.

MedPAC also wants CMS to undertake more rebasing. Medicare should implement a two-year rebasing initiative in 2017. That would be on top of any case mix creep adjustments, and would follow years of rebasing that have already cut reimbursement to HHAs.

The therapy change would be budget-neutral, but would redistribute payments, MedPAC's **Evan Christman** noted in the Commission's December 2015 meeting. Rebasing would reduce home health spending by up to \$10 billion over five years.

MedPAC is also expected to reiterate previous years' recommendations to add a home health copayment and increase fraud-fighting activities, commissioners indicated in the December meeting.

Stay tuned: Look for MedPAC's March report to Congress to see the final form of the recommendations.