

## Long-Term Care Survey Alert

### Industry Notes: What The SGR Repeal Means For Your Facility

**President Barak Obama** signed into law the Medicare Access and CHIP Reauthorization Act on April 16, bringing a huge respite to all healthcare providers who suffered a constant sense of crisis each year. The MACRA, as it being referred to, ensured that the faulty provisions of the sustainable growth rate were repealed.

Although the SGR repeal will move Medicare toward a payment system based on quality, **Congress** failed to also approve the Medicare outpatient therapy cap repeal amendment.

**Good news:** The SGR repeal effectively saves the healthcare industry from a 21.2-percent reduction to the Medicare Part B fee schedule, which was set to become effective on April 1, according to an April 8 blog posting by **Cyndi Ouellette** for Topsfield, Mass.-based **Harmony Healthcare International**, Inc. Instead of the rate reduction, providers will see a 0-percent adjustment for claims dating April 1 through June 30.

"Among the most significant features of the bill are the ways it sets the stage for a transition to value-based healthcare services, and away from the fee-for-service model," according to an April 15 analysis by the **American Physical Therapy Association** (APTA).

**Bad news:** Another component to the bill was the therapy cap repeal amendment, which the **Senate** shot down in a 58-to-42 vote, APTA said. "Instead of a full repeal, the therapy cap exceptions process will extend until Dec. 31, 2017."

Ending the SGR system is good news, but "we are of course disappointed that the therapy cap repeal effort was not successful," APTA executive vice president of public affairs **Justin Moore, PT, DPT**, said in a recent statement. "But thanks to the hard work of APTA members and supporters, we were able to seize an historic moment and move this issue closer to the goal line than at any time in the 18-year history of the cap."

Technically, the therapy exception process has stopped as of March 31, which indicates that there is a hard \$1,940 therapy cap with no chance for exception, Ouellette explained. The **American Health Care Association** (AHCA) recommends providing an Advance Beneficiary Notice (ABN) to any patient requiring skilled therapy services beyond the \$1,940 therapy cap as of April 1 to assist your facility and the beneficiary in liability protections.