

# Issue Brief

FEDERAL ISSUE BRIEF • April 30, 2018

## KEY POINTS

- CMS states that “the overall economic impact of this final rule is an estimated increase in payments to IRFs in FY 2019, relative to FY 2018, of approximately \$75 million.
- In 2020, the NHSN facility-wide inpatient hospital-onset methicillin-resistant *staphylococcus aureus* bacteremia outcome measure is being eliminated.
- In 2021, the percent of residents or patients who were assessed and appropriately giving the seasonal influenza vaccine (short stay) measure will be eliminated.

## CMS Issues Proposed Inpatient Rehabilitation Facility FY 2019 PPS Update

The Centers for Medicare & Medicaid Services has published a proposed rule to update the payment rates for inpatient rehabilitation facilities for federal fiscal year 2019.

The 147-page document is scheduled for publication in the May 8 *Federal Register*. A copy is currently available at <https://s3.amazonaws.com/public-inspection.federalregister.gov/2018-08961.pdf>. This link will change upon publication. A comment period is provided that expires June 26.

### COMMENT

CMS states that “the overall economic impact of this final rule is an estimated increase in payments to IRFs in FY 2019, relative to FY 2018, of approximately \$75 million. There are 1,120 IRFs, of which approximately 55 percent are nonprofit facilities.

### PROPOSED FY 2019 MARKETBASKET UPDATE AND PRODUCTIVITY ADJUSTMENT

CMS is proposing that the “2012-based IRF marketbasket” increase factor for FY 2019 would be 2.9 percent. This amount is reduced further by mandates of the Affordable Care Act; that is, reductions for productivity estimated at -0.8 percent and another reduction amount of -0.75 percent. Therefore, the proposed increase would be 1.35 percent.

For FY 2019, CMS proposes to use FY 2017 IRF claims and FY 2016 IRF cost report data.

### PROPOSED FY 2019 UPDATE TO THE CASE-MIX GROUP RELATIVE WEIGHTS AND AVERAGE LENGTH-OF-STAY VALUES

The following table includes the CMGs, the comorbidity tiers, the corresponding relative weights and the average length of stay values for each CMG and tier for FY 2019. The average length of stay for each CMG is used to determine when an IRF discharge meets the definition of a short-stay transfer, which results in a per diem case level adjustment.

4712 Country Club Drive  
Jefferson City, MO 65109

P.O. Box 60  
Jefferson City, MO 65102

573/893-3700  
[www.mhanet.com](http://www.mhanet.com)



continued

**Proposed Relative Weights and Average Length of Stay Values for Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor, C=cognitive, A=age)            | Relative Weight |        |        |                       | Average Length of stay |        |        |                       |
|------|---|-----------------|--------|--------|-----------------------|------------------------|--------|--------|-----------------------|
|      |   | Tier 1          | Tier 2 | Tier 3 | No Comorbidities Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidities Tier |
| 0101 | Stroke<br>M>51.05   | 0.8486          | 0.7367 | 0.6761 | 0.6461                | 8                      | 11     | 8      | 8                     |
| 0102 | Stroke<br>M>44.45 and M<51.05<br>and C>18.5                 | 1.0722          | 0.9308 | 0.8542 | 0.8164                | 11                     | 12     | 10     | 10                    |
| 0103 | Stroke<br>M>44.45 and M<51.05<br>and C<18.5                 | 1.2409          | 1.0772 | 0.9886 | 0.9448                | 12                     | 13     | 11     | 12                    |
| 0104 | Stroke<br>M>38.85 and M<44.45                               | 1.2952          | 1.1244 | 1.0319 | 0.9862                | 12                     | 13     | 12     | 12                    |
| 0105 | Stroke<br>M>34.25 and M<38.85                               | 1.4885          | 1.2922 | 1.1859 | 1.1333                | 14                     | 14     | 14     | 13                    |
| 0106 | Stroke<br>M>30.05 and M<34.25                               | 1.6651          | 1.4455 | 1.3266 | 1.2678                | 16                     | 16     | 15     | 15                    |
| 0107 | Stroke<br>M>26.15 and M<30.05                               | 1.8665          | 1.6203 | 1.4871 | 1.4211                | 18                     | 18     | 16     | 16                    |
| 0108 | Stroke<br>M<26.15 and A>84.5                                | 2.3075          | 2.0031 | 1.8384 | 1.7569                | 22                     | 21     | 20     | 20                    |
| 0109 | Stroke<br>M>22.35 and M<26.15<br>and A<84.5                 | 2.0873          | 1.8120 | 1.6630 | 1.5893                | 19                     | 19     | 18     | 18                    |
| 0110 | Stroke<br>M<22.35 and A<84.5                                | 2.7646          | 2.4000 | 2.2027 | 2.1049                | 26                     | 26     | 23     | 23                    |
| 0201 | Traumatic brain injury<br>M>53.35 and C>23.5                | 0.8228          | 0.6676 | 0.5960 | 0.5565                | 9                      | 9      | 8      | 7                     |
| 0202 | Traumatic brain injury<br>M>44.25 and M<53.35<br>and C>23.5 | 1.1423          | 0.9270 | 0.8274 | 0.7726                | 10                     | 11     | 10     | 10                    |
| 0203 | Traumatic brain injury<br>M>44.25 and C<23.5                | 1.2601          | 1.0225 | 0.9128 | 0.8523                | 13                     | 13     | 11     | 10                    |
| 0204 | Traumatic brain injury<br>M>40.65 and M<44.25               | 1.3722          | 1.1135 | 0.9940 | 0.9281                | 13                     | 13     | 11     | 11                    |
| 0205 | Traumatic brain injury<br>M>28.75 and M<40.65               | 1.6209          | 1.3153 | 1.1741 | 1.0963                | 14                     | 15     | 13     | 13                    |
| 0206 | Traumatic brain injury<br>M>22.05 and M<28.75               | 1.9535          | 1.5852 | 1.4150 | 1.3212                | 18                     | 18     | 15     | 15                    |
| 0207 | Traumatic brain injury<br>M<22.05                           | 2.4678          | 2.0025 | 1.7875 | 1.6691                | 31                     | 22     | 19     | 18                    |
| 0301 | Non-traumatic brain<br>injury M>41.05                       | 1.1740          | 0.9497 | 0.8712 | 0.8146                | 11                     | 11     | 10     | 10                    |
| 0302 | Non- traumatic brain<br>injury M>35.05 and<br>M<41.05       | 1.4336          | 1.1597 | 1.0639 | 0.9948                | 12                     | 13     | 12     | 12                    |



*continued*

**Proposed Relative Weights and Average Length of Stay Values for Case-Mix Groups**

| CMG  | CMG Description<br>(M= motor,<br>C=cognitive,<br>A=age) | Relative Weight |        |        |                       | Average Length of stay |        |        |                       |
|------|---|-----------------|--------|--------|-----------------------|------------------------|--------|--------|-----------------------|
|      |   | Tier 1          | Tier 2 | Tier 3 | No Comorbidities Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidities Tier |
| 0303 | Non-traumatic brain injury M>26.15 and M<35.05          | 1.6587          | 1.3419 | 1.2309 | 1.1510                | 15                     | 14     | 13     | 13                    |
| 0304 | Non- traumatic brain injury M<26.15                     | 2.1196          | 1.7147 | 1.5729 | 1.4708                | 20                     | 19     | 16     | 16                    |
| 0401 | Traumatic spinal cord injury M>48.45                    | 1.0031          | 0.8112 | 0.7498 | 0.6853                | 10                     | 10     | 9      | 9                     |
| 0402 | Traumatic spinal cord injury M>30.35 and M<48.45        | 1.4909          | 1.2056 | 1.1144 | 1.0186                | 14                     | 13     | 13     | 12                    |
| 0403 | Traumatic spinal cord injury M>16.05 and M<30.35        | 2.3615          | 1.9096 | 1.7650 | 1.6133                | 25                     | 22     | 19     | 18                    |
| 0404 | Traumatic spinal cord injury M<16.05 and A>63.5         | 4.0165          | 3.2479 | 3.0021 | 2.7440                | 45                     | 36     | 31     | 30                    |
| 0405 | Traumatic spinal cord injury M<16.05 and A<63.5         | 3.5422          | 2.8643 | 2.6476 | 2.4199                | 26                     | 33     | 27     | 26                    |
| 0501 | Non- traumatic spinal cord injury M>51.35               | 0.9175          | 0.7147 | 0.6615 | 0.6076                | 9                      | 10     | 8      | 8                     |
| 0502 | Non- traumatic spinal cord injury M>40.15 and M<51.35   | 1.2206          | 0.9508 | 0.8800 | 0.8083                | 11                     | 11     | 10     | 10                    |
| 0503 | Non- traumatic spinal cord injury M>31.25 and M<40.15   | 1.5123          | 1.1781 | 1.0903 | 1.0015                | 14                     | 13     | 12     | 12                    |
| 0504 | Non- traumatic spinal cord injury M>29.25 and M<31.25   | 1.7404          | 1.3557 | 1.2548 | 1.1526                | 16                     | 14     | 14     | 13                    |
| 0505 | Non- traumatic spinal cord injury M>23.75 and M<29.25   | 1.9922          | 1.5519 | 1.4363 | 1.3194                | 18                     | 17     | 16     | 15                    |
| 0506 | Non- traumatic spinal cord injury M<23.75               | 2.6966          | 2.1006 | 1.9441 | 1.7858                | 26                     | 23     | 21     | 20                    |
| 0601 | Neurological M>47.75                                    | 1.0727          | 0.8220 | 0.7615 | 0.6941                | 9                      | 9      | 9      | 8                     |
| 0602 | Neurological M>37.35 and M<47.75                        | 1.3940          | 1.0681 | 0.9896 | 0.9019                | 12                     | 12     | 11     | 10                    |
| 0603 | Neurological M>25.85 and M<37.35                        | 1.7135          | 1.3130 | 1.2164 | 1.1087                | 14                     | 14     | 13     | 13                    |
| 0604 | Neurological M<25.85                                    | 2.2159          | 1.6979 | 1.5730 | 1.4337                | 19                     | 17     | 16     | 16                    |



**Proposed Relative Weights and Average Length of Stay Values for Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor,<br>C=cognitive,<br>A=age)              | Relative Weight |        |        |                       | Average Length of stay |        |        |                       |
|------|---|-----------------|--------|--------|-----------------------|------------------------|--------|--------|-----------------------|
|      |   | Tier 1          | Tier 2 | Tier 3 | No Comorbidities Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidities Tier |
| 0701 | Fracture of lower extremity M>42.15                                 | 1.0293          | 0.8388 | 0.7954 | 0.7177                | 10                     | 10     | 9      | 9                     |
| 0702 | Fracture of lower extremity M>34.15 and M<42.15                     | 1.3091          | 1.0668 | 1.0115 | 0.9128                | 12                     | 12     | 12     | 11                    |
| 0703 | Fracture of lower extremity M>28.15 and M<34.15                     | 1.5608          | 1.2720 | 1.2061 | 1.0883                | 15                     | 14     | 14     | 13                    |
| 0704 | Fracture of lower extremity M<28.15                                 | 1.9933          | 1.6244 | 1.5402 | 1.3899                | 18                     | 18     | 17     | 16                    |
| 0801 | Replacement of lower extremity joint M>49.55                        | 0.8362          | 0.6820 | 0.6159 | 0.5727                | 8                      | 8      | 8      | 7                     |
| 0802 | Replacement of lower extremity joint M>37.05 and M<49.55            | 1.0782          | 0.8793 | 0.7941 | 0.7384                | 11                     | 9      | 9      | 9                     |
| 0803 | Replacement of lower extremity joint M>28.65 and M<37.05 and A>83.5 | 1.4172          | 1.1557 | 1.0438 | 0.9706                | 13                     | 13     | 12     | 11                    |
| 0804 | Replacement of lower extremity joint M>28.65 and M<37.05 and A<83.5 | 1.2741          | 1.0390 | 0.9384 | 0.8726                | 12                     | 12     | 11     | 10                    |
| 0805 | Replacement of lower extremity joint M>22.05 and M<28.65            | 1.5185          | 1.2383 | 1.1184 | 1.0399                | 14                     | 14     | 12     | 12                    |
| 0806 | Replacement of lower extremity Joint M<22.05                        | 1.8736          | 1.5279 | 1.3800 | 1.2832                | 17                     | 17     | 15     | 14                    |
| 0901 | Other orthopedic M>44.75  | 1.0336          | 0.8091 | 0.7490 | 0.6903                | 11                     | 10     | 9      | 8                     |
| 0902 | Other orthopedic M>34.35 and M<44.75                                | 1.3077          | 1.0236 | 0.9476 | 0.8734                | 12                     | 12     | 11     | 10                    |
| 0903 | Other orthopedic M>24.15 and M<34.35                                | 1.6323          | 1.2777 | 1.1828 | 1.0902                | 14                     | 14     | 13     | 12                    |
| 0904 | Other orthopedic M<24.15  | 2.0449          | 1.6006 | 1.4818 | 1.3657                | 17                     | 17     | 16     | 15                    |
| 1001 | Amputation, lower extremity M>47.65                                 | 1.0914          | 0.9202 | 0.8209 | 0.7566                | 11                     | 10     | 10     | 9                     |
| 1002 | Amputation, lower extremity M>36.25 and M<47.65                     | 1.3986          | 1.1792 | 1.0520 | 0.9696                | 13                     | 13     | 12     | 12                    |
| 1003 | Amputation, lower extremity M<36.25                                 | 2.0249          | 1.7073 | 1.5231 | 1.4038                | 18                     | 18     | 16     | 15                    |



continued

**Proposed Relative Weights and Average Length of Stay Values for Case-Mix Groups**

| CMG  | CMG Description<br>(M= motor, C=cognitive, A=age)                             | Relative Weight |        |        |                       | Average Length of stay |        |        |                       |
|------|---|-----------------|--------|--------|-----------------------|------------------------|--------|--------|-----------------------|
|      |   | Tier 1          | Tier 2 | Tier 3 | No Comorbidities Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidities Tier |
| 1101 | Amputation, non-lower extremity M>36.35                                       | 1.3802          | 0.9958 | 0.9958 | 0.8947                | 12                     | 11     | 11     | 11                    |
| 1102 | Amputation, non-lower extremity M<36.35                                       | 1.9397          | 1.3995 | 1.3995 | 1.2574                | 17                     | 14     | 15     | 13                    |
| 1201 | Osteoarthritis M>37.65  | 1.1131          | 0.9558 | 0.8693 | 0.7900                | 11                     | 10     | 10     | 9                     |
| 1202 | Osteoarthritis M>30.75 and M<37.65  | 1.4086          | 1.2096 | 1.1001 | 0.9998                | 13                     | 13     | 12     | 12                    |
| 1203 | Osteoarthritis M<30.75  | 1.7059          | 1.4648 | 1.3323 | 1.2108                | 15                     | 16     | 15     | 14                    |
| 1301 | Rheumatoid, other arthritis M>36.35   | 1.0974          | 0.9616 | 0.8870 | 0.8378                | 10                     | 10     | 10     | 10                    |
| 1302 | Rheumatoid, other arthritis M>26.15 and M<36.35                               | 1.4376          | 1.2598 | 1.1620 | 1.0976                | 12                     | 13     | 13     | 13                    |
| 1303 | Rheumatoid, other arthritis M<26.15   | 1.7313          | 1.5171 | 1.3994 | 1.3218                | 14                     | 17     | 15     | 15                    |
| 1401 | Cardiac M>48.85   | 0.9240          | 0.7515 | 0.6781 | 0.6099                | 9                      | 8      | 8      | 7                     |
| 1402 | Cardiac M>38.55 and M<48.85   | 1.2392          | 1.0078 | 0.9093 | 0.8180                | 11                     | 11     | 10     | 10                    |
| 1403 | Cardiac M>31.15 and M<38.55   | 1.4776          | 1.2017 | 1.0843 | 0.9753                | 13                     | 13     | 12     | 11                    |
| 1404 | Cardiac M<31.15   | 1.8592          | 1.5120 | 1.3643 | 1.2272                | 17                     | 16     | 14     | 13                    |
| 1501 | Pulmonary M>49.25   | 1.0096          | 0.8767 | 0.7953 | 0.7609                | 9                      | 10     | 9      | 8                     |
| 1502 | Pulmonary M>39.05 and M<49.25   | 1.2873          | 1.1178 | 1.0140 | 0.9702                | 11                     | 11     | 10     | 11                    |
| 1503 | Pulmonary M>29.15 and M<39.05   | 1.5272          | 1.3262 | 1.2030 | 1.1511                | 14                     | 13     | 12     | 12                    |
| 1504 | Pulmonary M<29.15   | 1.9278          | 1.6740 | 1.5186 | 1.4530                | 19                     | 16     | 15     | 14                    |
| 1601 | Pain syndrome M>37.15   | 1.2093          | 0.9269 | 0.8786 | 0.7937                | 9                      | 11     | 10     | 10                    |
| 1602 | Pain syndrome M>26.75 and M<37.15   | 1.5344          | 1.1760 | 1.1148 | 1.0070                | 11                     | 12     | 12     | 12                    |
| 1603 | Pain syndrome M<26.75   | 1.8652          | 1.4295 | 1.3551 | 1.2241                | 12                     | 16     | 15     | 14                    |
| 1701 | Major multiple trauma without brain or spinal cord injury M>39.25             | 1.2867          | 0.9776 | 0.9126 | 0.8224                | 14                     | 11     | 11     | 10                    |
| 1702 | Major multiple trauma without brain or spinal cord injury M>31.05 and M<39.25 | 1.5500          | 1.1777 | 1.0993 | 0.9907                | 13                     | 14     | 12     | 12                    |



continued

**Proposed Relative Weights and Average Length of Stay Values for Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor,<br>C=cognitive,<br>A=age)                        | Relative Weight |        |        |                       | Average Length of stay |        |        |                       |
|------|---|-----------------|--------|--------|-----------------------|------------------------|--------|--------|-----------------------|
|      |   | Tier 1          | Tier 2 | Tier 3 | No Comorbidities Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidities Tier |
| 1703 | Major multiple trauma without brain or spinal cord injury M>25.55 and M<31.05 | 1.8117          | 1.3765 | 1.2849 | 1.1580                | 15                     | 15     | 14     | 13                    |
| 1704 | Major multiple trauma without brain or spinal cord injury M<25.55             | 2.3035          | 1.7502 | 1.6337 | 1.4724                | 20                     | 19     | 17     | 16                    |
| 1801 | Major multiple trauma with brain or spinal cord injury M>40.85                | 1.1210          | 1.0101 | 0.8484 | 0.7937                | 12                     | 11     | 10     | 10                    |
| 1802 | Major multiple trauma with brain or spinal cord injury M>23.05 and M<40.85    | 1.6611          | 1.4967 | 1.2572 | 1.1761                | 16                     | 17     | 14     | 13                    |
| 1803 | Major multiple trauma with brain or spinal cord injury M<23.05                | 2.5942          | 2.3375 | 1.9634 | 1.8368                | 30                     | 25     | 20     | 20                    |
| 1901 | Guillian Barre M>35.95  | 1.4128          | 1.0101 | 0.9494 | 0.9109                | 15                     | 13     | 11     | 11                    |
| 1902 | Guillian Barre M>18.05 and M<35.95  | 2.4873          | 1.7782 | 1.6714 | 1.6037                | 24                     | 21     | 18     | 18                    |
| 1903 | Guillian Barre M<18.05  | 4.2909          | 3.0677 | 2.8833 | 2.7665                | 46                     | 31     | 30     | 30                    |
| 2001 | Miscellaneous M>49.15   | 0.9692          | 0.7714 | 0.7164 | 0.6501                | 9                      | 9      | 8      | 8                     |
| 2002 | Miscellaneous M>38.75 and M<49.15   | 1.2596          | 1.0025 | 0.9311 | 0.8449                | 11                     | 11     | 10     | 10                    |
| 2003 | Miscellaneous M>27.85 and M<38.75   | 1.5478          | 1.2319 | 1.1442 | 1.0382                | 14                     | 14     | 12     | 12                    |
| 2004 | Miscellaneous M<27.85   | 1.9731          | 1.5704 | 1.4585 | 1.3235                | 18                     | 17     | 15     | 15                    |
| 2101 | Burns M>0   | 1.9150          | 1.5473 | 1.5040 | 1.3189                | 22                     | 16     | 16     | 14                    |
| 5001 | Short-stay cases, length of stay is 3 days or fewer                           |                 |        |        | 0.1601                |                        |        |        | 2                     |
| 5101 | Expired, orthopedic, length of stay is 13 days or fewer                       |                 |        |        | 0.7561                |                        |        |        | 8                     |
| 5102 | Expired, orthopedic, length of stay is 14 days or more                        |                 |        |        | 1.6523                |                        |        |        | 18                    |
| 5103 | Expired, not orthopedic, length of stay is 15 days or fewer                   |                 |        |        | 0.8114                |                        |        |        | 8                     |
| 5104 | Expired, not orthopedic, length of stay is 16 days or more                    |                 |        |        | 2.1193                |                        |        |        | 21                    |



continued

## PROPOSED LABOR-RELATED SHARE FOR FY 2019

The proposed FY 2019 labor-related share is 70.6 percent. By comparison, the current FY 2018 labor-related share is 70.7 percent.

## PROPOSED WAGE ADJUSTMENT FOR FY 2019

For FY 2019, CMS proposes to continue using OMB delineations to calculate the area wage indexes.

The proposed wage index applicable to FY 2019 is available on the CMS website at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/Data-Files.html>. Table A is for urban areas, and Table B is for rural areas.

## DESCRIPTION OF THE PROPOSED IRF STANDARD PAYMENT CONVERSION FACTOR AND PAYMENT RATES FOR FY 2019

| Calculations to Determine the Proposed FY 2019 Standard Payment Conversion Factor  |                 |                 |
|--|-----------------|-----------------|
| Explanation for Adjustment   | Calculations    |                 |
| <b>Standard Payment Conversion Factor for FY 2018</b>  | <b>\$15,838</b> |                 |
| Marketbasket Increase Factor for FY 2019 (2.9 percent), reduced by 0.8 percentage point for the productivity adjustment as required by section 1886(j)(3)(C)(ii)(I) of the Act, and reduced by 0.75 percentage point in accordance with sections 1886(j)(3)(C)(ii)(II) and 1886(j)(3)(D)(v) of the Act | x               | 1.0135          |
| Budget Neutrality Factor for the Wage Index and Labor-Related Share  | x               | 1.0000          |
| Budget Neutrality Factor for the Revisions to the CMG Relative Weights   | x               | 0.9980          |
| <b>Proposed FY 2019 Standard Payment Conversion Factor</b>   | =               | <b>\$16,020</b> |

The CMG relative weights (shown above) are multiplied by the proposed FY 2019 standard payment conversion factor (\$16,020), resulting in unadjusted IRF prospective payment rates for FY 2019 as shown below.

| Proposed FY 2019 Payment Rates |                     |                     |                     |                             |
|--------------------------------|---------------------|---------------------|---------------------|-----------------------------|
| CMG                            | Payment Rate Tier 1 | Payment Rate Tier 2 | Payment Rate Tier 3 | Payment Rate No Comorbidity |
| 0101                           | \$ 13,594.57        | \$ 11,801.93        | \$ 10,831.12        | \$ 10,350.52                |
| 0102                           | \$ 17,176.64        | \$ 14,911.42        | \$ 13,684.28        | \$ 13,078.73                |
| 0103                           | \$ 19,879.22        | \$ 17,256.74        | \$ 15,837.37        | \$ 15,135.70                |
| 0104                           | \$ 20,749.10        | \$ 18,012.89        | \$ 16,531.04        | \$ 15,798.92                |
| 0105                           | \$ 23,845.77        | \$ 20,701.04        | \$ 18,998.12        | \$ 18,155.47                |
| 0106                           | \$ 26,674.90        | \$ 23,156.91        | \$ 21,252.13        | \$ 20,310.16                |
| 0107                           | \$ 29,901.33        | \$ 25,957.21        | \$ 23,823.34        | \$ 22,766.02                |
| 0108                           | \$ 36,966.15        | \$ 32,089.66        | \$ 29,451.17        | \$ 28,145.54                |
| 0109                           | \$ 33,438.55        | \$ 29,028.24        | \$ 26,641.26        | \$ 25,460.59                |
| 0110                           | \$ 44,288.89        | \$ 38,448.00        | \$ 35,287.25        | \$ 33,720.50                |
| 0201                           | \$ 13,181.26        | \$ 10,694.95        | \$ 9,547.92         | \$ 8,915.13                 |
| 0202                           | \$ 18,299.65        | \$ 14,850.54        | \$ 13,254.95        | \$ 12,377.05                |

**Proposed FY 2019 Payment Rates**

| <b>CMG</b> | <b>Payment Rate Tier 1</b> | <b>Payment Rate Tier 2</b> | <b>Payment Rate Tier 3</b> | <b>Payment Rate No Comorbidity</b> |
|------------|----------------------------|----------------------------|----------------------------|------------------------------------|
| 0203       | \$ 20,186.80               | \$ 16,380.45               | \$ 14,623.06               | \$ 13,653.85                       |
| 0204       | \$ 21,982.64               | \$ 17,838.27               | \$ 15,923.88               | \$ 14,868.16                       |
| 0205       | \$ 25,966.82               | \$ 21,071.11               | \$ 18,809.08               | \$ 17,562.73                       |
| 0206       | \$ 31,295.07               | \$ 25,394.90               | \$ 22,668.30               | \$ 21,165.62                       |
| 0207       | \$ 39,534.16               | \$ 32,080.05               | \$ 28,635.75               | \$ 26,738.98                       |
| 0301       | \$ 18,807.48               | \$ 15,214.19               | \$ 13,956.62               | \$ 13,049.89                       |
| 0302       | \$ 22,966.27               | \$ 18,578.39               | \$ 17,043.68               | \$ 15,936.70                       |
| 0303       | \$ 26,572.37               | \$ 21,497.24               | \$ 19,719.02               | \$ 18,439.02                       |
| 0304       | \$ 33,955.99               | \$ 27,469.49               | \$ 25,197.86               | \$ 23,562.22                       |
| 0401       | \$ 16,069.66               | \$ 12,995.42               | \$ 12,011.80               | \$ 10,978.51                       |
| 0402       | \$ 23,884.22               | \$ 19,313.71               | \$ 17,852.69               | \$ 16,317.97                       |
| 0403       | \$ 37,831.23               | \$ 30,591.79               | \$ 28,275.30               | \$ 25,845.07                       |
| 0404       | \$ 64,344.33               | \$ 52,031.36               | \$ 48,093.64               | \$ 43,958.88                       |
| 0405       | \$ 56,746.04               | \$ 45,886.09               | \$ 42,414.55               | \$ 38,766.80                       |
| 0501       | \$ 14,698.35               | \$ 11,449.49               | \$ 10,597.23               | \$ 9,733.75                        |
| 0502       | \$ 19,554.01               | \$ 15,231.82               | \$ 14,097.60               | \$ 12,948.97                       |
| 0503       | \$ 24,227.05               | \$ 18,873.16               | \$ 17,466.61               | \$ 16,044.03                       |
| 0504       | \$ 27,881.21               | \$ 21,718.31               | \$ 20,101.90               | \$ 18,464.65                       |
| 0505       | \$ 31,915.04               | \$ 24,861.44               | \$ 23,009.53               | \$ 21,136.79                       |
| 0506       | \$ 43,199.53               | \$ 33,651.61               | \$ 31,144.48               | \$ 28,608.52                       |
| 0601       | \$ 17,184.65               | \$ 13,168.44               | \$ 12,199.23               | \$ 11,119.48                       |
| 0602       | \$ 22,331.88               | \$ 17,110.96               | \$ 15,853.39               | \$ 14,448.44                       |
| 0603       | \$ 27,450.27               | \$ 21,034.26               | \$ 19,486.73               | \$ 17,761.37                       |
| 0604       | \$ 35,498.72               | \$ 27,200.36               | \$ 25,199.46               | \$ 22,967.87                       |
| 0701       | \$ 16,489.39               | \$ 13,437.58               | \$ 12,742.31               | \$ 11,497.55                       |
| 0702       | \$ 20,971.78               | \$ 17,090.14               | \$ 16,204.23               | \$ 14,623.06                       |
| 0703       | \$ 25,004.02               | \$ 20,377.44               | \$ 19,321.72               | \$ 17,434.57                       |
| 0704       | \$ 31,932.67               | \$ 26,022.89               | \$ 24,674.00               | \$ 22,266.20                       |
| 0801       | \$ 13,395.92               | \$ 10,925.64               | \$ 9,866.72                | \$ 9,174.65                        |
| 0802       | \$ 17,272.76               | \$ 14,086.39               | \$ 12,721.48               | \$ 11,829.17                       |
| 0803       | \$ 22,703.54               | \$ 18,514.31               | \$ 16,721.68               | \$ 15,549.01                       |
| 0804       | \$ 20,411.08               | \$ 16,644.78               | \$ 15,033.17               | \$ 13,979.05                       |
| 0805       | \$ 24,326.37               | \$ 19,837.57               | \$ 17,916.77               | \$ 16,659.20                       |
| 0806       | \$ 30,015.07               | \$ 24,476.96               | \$ 22,107.60               | \$ 20,556.86                       |
| 0901       | \$ 16,558.27               | \$ 12,961.78               | \$ 11,998.98               | \$ 11,058.61                       |
| 0902       | \$ 20,949.35               | \$ 16,398.07               | \$ 15,180.55               | \$ 13,991.87                       |
| 0903       | \$ 26,149.45               | \$ 20,468.75               | \$ 18,948.46               | \$ 17,465.00                       |
| 0904       | \$ 32,759.30               | \$ 25,641.61               | \$ 23,738.44               | \$ 21,878.51                       |
| 1001       | \$ 17,484.23               | \$ 14,741.60               | \$ 13,150.82               | \$ 12,120.73                       |
| 1002       | \$ 22,405.57               | \$ 18,890.78               | \$ 16,853.04               | \$ 15,532.99                       |
| 1003       | \$ 32,438.90               | \$ 27,350.95               | \$ 24,400.06               | \$ 22,488.88                       |
| 1101       | \$ 22,110.80               | \$ 15,952.72               | \$ 15,952.72               | \$ 14,333.09                       |
| 1102       | \$ 31,073.99               | \$ 22,419.99               | \$ 22,419.99               | \$ 20,143.55                       |
| 1201       | \$ 17,831.86               | \$ 15,311.92               | \$ 13,926.19               | \$ 12,655.80                       |
| 1202       | \$ 22,565.77               | \$ 19,377.79               | \$ 17,623.60               | \$ 16,016.80                       |
| 1203       | \$ 27,328.52               | \$ 23,466.10               | \$ 21,343.45               | \$ 19,397.02                       |



*continued*



| Proposed FY 2019 Payment Rates |                     |                     |                     |                             |
|--------------------------------|---------------------|---------------------|---------------------|-----------------------------|
| CMG                            | Payment Rate Tier 1 | Payment Rate Tier 2 | Payment Rate Tier 3 | Payment Rate No Comorbidity |
| 1301                           | \$ 17,580.35        | \$ 15,404.83        | \$ 14,209.74        | \$ 13,421.56                |
| 1302                           | \$ 23,030.35        | \$ 20,182.00        | \$ 18,615.24        | \$ 17,583.55                |
| 1303                           | \$ 27,735.43        | \$ 24,303.94        | \$ 22,418.39        | \$ 21,175.24                |
| 1401                           | \$ 14,802.48        | \$ 12,039.03        | \$ 10,863.16        | \$ 9,770.60                 |
| 1402                           | \$ 19,851.98        | \$ 16,144.96        | \$ 14,566.99        | \$ 13,104.36                |
| 1403                           | \$ 23,671.15        | \$ 19,251.23        | \$ 17,370.49        | \$ 15,624.31                |
| 1404                           | \$ 29,784.38        | \$ 24,222.24        | \$ 21,856.09        | \$ 19,659.74                |
| 1501                           | \$ 16,173.79        | \$ 14,044.73        | \$ 12,740.71        | \$ 12,189.62                |
| 1502                           | \$ 20,622.55        | \$ 17,907.16        | \$ 16,244.28        | \$ 15,542.60                |
| 1503                           | \$ 24,465.74        | \$ 21,245.72        | \$ 19,272.06        | \$ 18,440.62                |
| 1504                           | \$ 30,883.36        | \$ 26,817.48        | \$ 24,327.97        | \$ 23,277.06                |
| 1601                           | \$ 19,372.99        | \$ 14,848.94        | \$ 14,075.17        | \$ 12,715.07                |
| 1602                           | \$ 24,581.09        | \$ 18,839.52        | \$ 17,859.10        | \$ 16,132.14                |
| 1603                           | \$ 29,880.50        | \$ 22,900.59        | \$ 21,708.70        | \$ 19,610.08                |
| 1701                           | \$ 20,612.93        | \$ 15,661.15        | \$ 14,619.85        | \$ 13,174.85                |
| 1702                           | \$ 24,831.00        | \$ 18,866.75        | \$ 17,610.79        | \$ 15,871.01                |
| 1703                           | \$ 29,023.43        | \$ 22,051.53        | \$ 20,584.10        | \$ 18,551.16                |
| 1704                           | \$ 36,902.07        | \$ 28,038.20        | \$ 26,171.87        | \$ 23,587.85                |
| 1801                           | \$ 17,958.42        | \$ 16,181.80        | \$ 13,591.37        | \$ 12,715.07                |
| 1802                           | \$ 26,610.82        | \$ 23,977.13        | \$ 20,140.34        | \$ 18,841.12                |
| 1803                           | \$ 41,559.08        | \$ 37,446.75        | \$ 31,453.67        | \$ 29,425.54                |
| 1901                           | \$ 22,633.06        | \$ 16,181.80        | \$ 15,209.39        | \$ 14,592.62                |
| 1902                           | \$ 39,846.55        | \$ 28,486.76        | \$ 26,775.83        | \$ 25,691.27                |
| 1903                           | \$ 68,740.22        | \$ 49,144.55        | \$ 46,190.47        | \$ 44,319.33                |
| 2001                           | \$ 15,526.58        | \$ 12,357.83        | \$ 11,476.73        | \$ 10,414.60                |
| 2002                           | \$ 20,178.79        | \$ 16,060.05        | \$ 14,916.22        | \$ 13,535.30                |
| 2003                           | \$ 24,795.76        | \$ 19,735.04        | \$ 18,330.08        | \$ 16,631.96                |
| 2004                           | \$ 31,609.06        | \$ 25,157.81        | \$ 23,365.17        | \$ 21,202.47                |
| 2101                           | \$ 30,678.30        | \$ 24,787.75        | \$ 24,094.08        | \$ 21,128.78                |
| 5001                           |                     |                     |                     | \$ 2,564.80                 |
| 5101                           |                     |                     |                     | \$ 12,112.72                |
| 5102                           |                     |                     |                     | \$ 26,469.85                |
| 5103                           |                     |                     |                     | \$ 12,998.63                |
| 5104                           |                     |                     |                     | \$ 33,951.19                |

### PROPOSED UPDATE TO PAYMENTS FOR HIGH-COST OUTLIERS UNDER THE IRF PPS FOR FY 2019

CMS proposes to update the outlier threshold amount from \$8,679 for FY 2018 to \$10,509 for FY 2019 to maintain estimated outlier payments at approximately 3 percent of total estimated aggregate IRF payments for FY 2019.

CMS states that based on an analysis of the preliminary data used for the proposed rule, the agency estimates that IRF outlier payments as a percentage of total estimated payments would be approximately 3.4 percent in FY 2018.



## PROPOSED REMOVAL OF THE FIM™ INSTRUMENT AND ASSOCIATED FUNCTION MODIFIERS FROM THE IRF-PAI BEGINNING WITH FY 2020 AND PROPOSED REFINEMENTS TO THE CASE-MIX CLASSIFICATION SYSTEM BEGINNING WITH FY 2020

The IRF-PAI currently in use under the IRF PPS (IRF-PAI version 2.0) was originally developed based on a modified version of the Uniform Data System for medical rehabilitation (UDSmr) patient assessment instrument, commonly referred to as the FIM™. Item 39 of the IRF-PAI version 2.0 contains 18 of the FIM™ data elements and the FIM™ measurement scale that are used to score both motor and cognitive functioning at admission and discharge. The FIM™ data elements and measurement scale are collectively referred to as the FIM™ instrument. Additionally, items 29 through 38 of the IRF-PAI version 2.0 contain Function Modifiers associated with the FIM™ instrument. The FIM™ instrument and associated Function Modifiers are currently used to assign a patient into a CMG for payment purposes under the IRF PPS based on the patient's ability to perform specific activities of daily living and, in some cases, the patient's cognitive ability.

CMS is proposing to remove the FIM™ instrument and associated Function Modifiers from the IRF-PAI beginning with FY 2020.

## PROPOSED REFINEMENTS TO THE CASE-MIX CLASSIFICATION SYSTEM BEGINNING WITH FY 2020

CMS is proposing to replace its use of the FIM™ items in assigning CMGs with use of data items located in the Quality Indicators section of the IRF-PAI. CMS also proposes to update the functional status scores used in the

case-mix system and to revise the CMGs and update the relative weights and average length of stay values associated with the revised CMGs.

CMS is proposing to make these changes effective beginning with FY 2020, that is, for discharges occurring on or after Oct. 1, 2019, as they require extensive systems changes.

CMS believes it is appropriate to utilize the admission data items located in the Quality Indicators section of the IRF-PAI in place of the FIM™ items to determine functional status, as the data items located in the Quality Indicators section are now available and collected by all IRF providers for purposes of the IRF QRP.

## PROPOSED REFINEMENTS TO THE CMGS BEGINNING WITH FY 2020

CMS is proposing to implement revisions to the CMGs in a budget-neutral manner. The current CMGs were derived through a Classification and Regression Trees (CART) analysis that incorporated a patient's functional status (motor score and cognitive score) and age into the construction of the CMGs

To develop CMGs based on the data items from the Quality Indicators section of the IRF-PAI, Research Triangle Institute, International (RTI) used CART analysis to divide patients into payment groups based on similarities in their clinical characteristics and relative costs.

The following table includes the proposed new CMGs and their respective descriptions, including the functional status scores and age that CMS is proposing to use to classify discharges into CMGs.

**Proposed Revised Relative Weights and Average Length of Stay Values  
for the Proposed Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor,<br>A=age)               | Relative Weights |        |        |                     | Average Length of Stay |        |        |                     |
|------|--|------------------|--------|--------|---------------------|------------------------|--------|--------|---------------------|
|      |  | Tier 1           | Tier 2 | Tier 3 | No Comorbidity Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidity Tier |
| 0101 | Stroke M >= 77                                       | 1.0570           | 0.9232 | 0.8492 | 0.8050              | 11                     | 11     | 10     | 10                  |
| 0102 | Stroke M < 77 and M >= 68                            | 1.3370           | 1.1678 | 1.0741 | 1.0182              | 13                     | 13     | 12     | 12                  |
| 0103 | Stroke M < 68 and M >= 55                            | 1.6848           | 1.4715 | 1.3535 | 1.2831              | 15                     | 16     | 15     | 15                  |
| 0104 | Stroke M < 55 and M >= 47                            | 2.1484           | 1.8764 | 1.7260 | 1.6361              | 19                     | 20     | 19     | 19                  |
| 0105 | Stroke M < 47 and A >= 85                            | 2.4137           | 2.1081 | 1.9391 | 1.8382              | 22                     | 22     | 21     | 20                  |
| 0106 | Stroke M < 47 and A < 85                             | 2.7956           | 2.4417 | 2.2460 | 2.1291              | 26                     | 27     | 24     | 23                  |
| 0201 | Traumatic Brain Injury M >= 73                       | 1.2418           | 1.0426 | 0.9376 | 0.8708              | 12                     | 12     | 11     | 11                  |
| 0202 | Traumatic Brain Injury M < 73 and M >= 64            | 1.4929           | 1.2534 | 1.1272 | 1.0468              | 14                     | 14     | 13     | 12                  |
| 0203 | Traumatic Brain Injury M < 64 and M >= 51            | 1.7699           | 1.4859 | 1.3363 | 1.2411              | 16                     | 17     | 15     | 14                  |
| 0204 | Traumatic Brain Injury M < 51 and M >= 36            | 2.1753           | 1.8263 | 1.6424 | 1.5254              | 21                     | 20     | 18     | 17                  |
| 0205 | Traumatic Brain Injury M < 36                        | 2.6959           | 2.2634 | 2.0355 | 1.8904              | 36                     | 24     | 22     | 19                  |
| 0301 | Non- Traumatic Brain Injury M >= 70                  | 1.2192           | 1.0096 | 0.9348 | 0.8735              | 11                     | 11     | 11     | 10                  |
| 0302 | Non- Traumatic Brain Injury M < 70 and M >= 57       | 1.5403           | 1.2755 | 1.1810 | 1.1034              | 14                     | 14     | 13     | 13                  |
| 0303 | Non- Traumatic Brain Injury M < 57 and M >= 45       | 1.8496           | 1.5316 | 1.4182 | 1.3251              | 17                     | 16     | 15     | 15                  |
| 0304 | Non- Traumatic Brain Injury M < 45 and A >= 79       | 2.0666           | 1.7113 | 1.5846 | 1.4806              | 20                     | 18     | 17     | 16                  |
| 0305 | Non- Traumatic Brain Injury M < 45 and A < 79        | 2.2755           | 1.8843 | 1.7447 | 1.6302              | 21                     | 21     | 18     | 17                  |
| 0401 | Traumatic Spinal Cord Injury M >= 64                 | 1.2999           | 1.0952 | 1.0122 | 0.9370              | 13                     | 12     | 12     | 11                  |
| 0402 | Traumatic Spinal Cord Injury M < 64 and M >= 57      | 1.6630           | 1.4011 | 1.2949 | 1.1987              | 15                     | 15     | 15     | 14                  |
| 0403 | Traumatic Spinal Cord Injury M < 57 and M >= 46      | 1.9672           | 1.6574 | 1.5318 | 1.4180              | 15                     | 18     | 17     | 16                  |
| 0404 | Traumatic Spinal Cord Injury M < 46 and M >= 36      | 2.6209           | 2.2082 | 2.0408 | 1.8892              | 25                     | 24     | 23     | 21                  |
| 0405 | Traumatic Spinal Cord Injury M < 36 and A < 63       | 3.1923           | 2.6895 | 2.4857 | 2.3010              | 34                     | 29     | 27     | 24                  |
| 0406 | Traumatic Spinal Cord Injury M < 36 and A >= 63      | 3.6963           | 3.1142 | 2.8782 | 2.6643              | 46                     | 34     | 28     | 29                  |
| 0501 | Non- Traumatic Spinal Cord Injury M >= 75            | 1.1291           | 0.9068 | 0.8382 | 0.7642              | 10                     | 11     | 10     | 9                   |
| 0502 | Non- Traumatic Spinal Cord Injury M < 75 and M >= 63 | 1.4096           | 1.1322 | 1.0464 | 0.9541              | 14                     | 13     | 12     | 11                  |
| 0503 | Non- Traumatic Spinal Cord Injury M < 63 and M >= 52 | 1.7905           | 1.4381 | 1.3292 | 1.2119              | 16                     | 15     | 15     | 14                  |



continued

**Proposed Revised Relative Weights and Average Length of Stay Values  
for the Proposed Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor,<br>A=age)                  | Relative Weights |        |        |                     | Average Length of Stay |        |        |                     |
|------|---|------------------|--------|--------|---------------------|------------------------|--------|--------|---------------------|
|      |   | Tier 1           | Tier 2 | Tier 3 | No Comorbidity Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidity Tier |
| 0504 | Non- Traumatic Spinal Cord Injury M < 52 and M >= 44    | 2.2191           | 1.7823 | 1.6473 | 1.5020              | 21                     | 19     | 18     | 17                  |
| 0505 | Non- Traumatic Spinal Cord Injury M < 44                | 2.8377           | 2.2792 | 2.1065 | 1.9206              | 27                     | 24     | 22     | 21                  |
| 0601 | Neurologica l M >= 69                                   | 1.3205           | 1.0500 | 0.9795 | 0.8873              | 12                     | 12     | 11     | 10                  |
| 0602 | Neurologica l M < 69 and M >= 57                        | 1.6324           | 1.2981 | 1.2109 | 1.0969              | 14                     | 14     | 13     | 13                  |
| 0603 | Neurologica l M < 57 and M >= 47                        | 1.9170           | 1.5244 | 1.4220 | 1.2882              | 16                     | 16     | 15     | 14                  |
| 0604 | Neurologica l M < 47                                    | 2.2218           | 1.7667 | 1.6481 | 1.4929              | 20                     | 18     | 17     | 16                  |
| 0701 | Fracture of Lower Extremity M >= 67                     | 1.1960           | 0.9851 | 0.9487 | 0.8595              | 11                     | 11     | 11     | 10                  |
| 0702 | Fracture of Lower Extremity M < 67 and M >= 55          | 1.5308           | 1.2608 | 1.2142 | 1.1001              | 14                     | 14     | 14     | 13                  |
| 0703 | Fracture of Lower Extremity M < 55 and M >= 45          | 1.8510           | 1.5245 | 1.4682 | 1.3302              | 17                     | 17     | 16     | 15                  |
| 0704 | Fracture of Lower Extremity M < 45                      | 2.0790           | 1.7124 | 1.6491 | 1.4941              | 18                     | 18     | 18     | 17                  |
| 0801 | Replacement of Lower Extremity Joint M >= 67            | 1.0475           | 0.8892 | 0.8044 | 0.7437              | 10                     | 10     | 9      | 9                   |
| 0802 | Replacement of Lower Extremity Joint M < 67 and M >= 56 | 1.2925           | 1.0972 | 0.9926 | 0.9176              | 12                     | 12     | 11     | 11                  |
| 0803 | Replacement of Lower Extremity Joint M < 56 and M >= 47 | 1.5469           | 1.3132 | 1.1880 | 1.0982              | 15                     | 15     | 13     | 12                  |
| 0804 | Replacement of Lower Extremity Joint M < 47             | 1.8517           | 1.5719 | 1.4220 | 1.3146              | 16                     | 17     | 15     | 15                  |
| 0901 | Other Orthopedic M >= 69                                | 1.1749           | 0.9376 | 0.8792 | 0.8083              | 11                     | 11     | 10     | 10                  |
| 0902 | Other Orthopedic M < 69 and M >= 55                     | 1.5103           | 1.2052 | 1.1302 | 1.0390              | 13                     | 14     | 13     | 12                  |
| 0903 | Other Orthopedic M < 55 and M >= 47                     | 1.8117           | 1.4457 | 1.3557 | 1.2463              | 15                     | 16     | 15     | 14                  |
| 0904 | Other Orthopedic M < 47                                 | 2.0393           | 1.6273 | 1.5261 | 1.4029              | 17                     | 17     | 16     | 16                  |
| 1001 | Amputation Lower Extremity M >= 67                      | 1.3231           | 1.1340 | 1.0276 | 0.9487              | 12                     | 13     | 12     | 11                  |
| 1002 | Amputation Lower Extremity M < 67 and M >= 59           | 1.6372           | 1.4032 | 1.2715 | 1.1739              | 15                     | 15     | 14     | 14                  |
| 1003 | Amputation Lower Extremity M < 59 and M >= 49           | 1.8961           | 1.6251 | 1.4726 | 1.3596              | 17                     | 16     | 16     | 15                  |
| 1004 | Amputation Lower Extremity M < 49                       | 2.1617           | 1.8527 | 1.6788 | 1.5500              | 19                     | 20     | 18     | 17                  |
| 1101 | Amputation Non-Lower Extremity                          | 1.8322           | 1.3022 | 1.3022 | 1.0585              | 15                     | 14     | 13     | 12                  |
| 1201 | Osteoarthritis M >= 65                                  | 1.3071           | 1.0757 | 0.9575 | 0.8777              | 11                     | 12     | 11     | 11                  |



continued

**Proposed Revised Relative Weights and Average Length of Stay Values  
for the Proposed Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor,<br>A=age)                                       | Relative Weights |        |        |                     | Average Length of Stay |        |        |                     |
|------|--|------------------|--------|--------|---------------------|------------------------|--------|--------|---------------------|
|      |  | Tier 1           | Tier 2 | Tier 3 | No Comorbidity Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidity Tier |
| 1202 | Osteoarthritis M < 65 and M >= 49  | 1.6787           | 1.3816 | 1.2297 | 1.1273              | 14                     | 15     | 14     | 13                  |
| 1203 | Osteoarthritis M < 49  | 1.9145           | 1.5756 | 1.4024 | 1.2857              | 16                     | 16     | 16     | 15                  |
| 1301 | Rheumatoid Other Arthritis M >= 69   | 1.1111           | 0.9753 | 0.9076 | 0.8570              | 10                     | 11     | 10     | 11                  |
| 1302 | Rheumatoid Other Arthritis M < 69 and M >= 58                                | 1.3176           | 1.1567 | 1.0764 | 1.0164              | 12                     | 13     | 12     | 12                  |
| 1303 | Rheumatoid Other Arthritis M < 58 and A >= 72                                | 1.6691           | 1.4652 | 1.3635 | 1.2875              | 13                     | 17     | 14     | 14                  |
| 1304 | Rheumatoid Other Arthritis M < 58 and A < 72                                 | 1.7642           | 1.5487 | 1.4412 | 1.3609              | 14                     | 17     | 15     | 15                  |
| 1401 | Cardiac M >= 70  | 1.1839           | 0.9920 | 0.8991 | 0.8023              | 11                     | 11     | 10     | 9                   |
| 1402 | Cardiac M < 70 and M >= 59   | 1.4635           | 1.2263 | 1.1115 | 0.9918              | 13                     | 13     | 12     | 11                  |
| 1403 | Cardiac M < 59 and M >= 51   | 1.7034           | 1.4272 | 1.2936 | 1.1544              | 15                     | 15     | 14     | 13                  |
| 1404 | Cardiac M < 51   | 1.9704           | 1.6510 | 1.4964 | 1.3353              | 18                     | 17     | 16     | 14                  |
| 1501 | Pulmonary M >= 84  | 1.0149           | 0.9214 | 0.8346 | 0.7907              | 7                      | 10     | 9      | 9                   |
| 1502 | Pulmonary M < 84 and M >= 74   | 1.2323           | 1.1187 | 1.0133 | 0.9601              | 11                     | 12     | 11     | 10                  |
| 1503 | Pulmonary M < 74 and M >= 59   | 1.4557           | 1.3215 | 1.1970 | 1.1341              | 13                     | 13     | 12     | 12                  |
| 1504 | Pulmonary M < 59 and M >= 46   | 1.7464           | 1.5853 | 1.4360 | 1.3606              | 15                     | 15     | 14     | 14                  |
| 1505 | Pulmonary M < 46   | 2.0273           | 1.8404 | 1.6670 | 1.5794              | 20                     | 17     | 15     | 16                  |
| 1601 | Pain Syndrome M >= 70  | 1.2293           | 0.9242 | 0.8776 | 0.7774              | 10                     | 11     | 10     | 10                  |
| 1602 | Pain Syndrome M < 70 and M >= 61   | 1.5216           | 1.1439 | 1.0863 | 0.9622              | 12                     | 12     | 12     | 11                  |
| 1603 | Pain Syndrome M < 61   | 1.8391           | 1.3826 | 1.3129 | 1.1630              | 13                     | 15     | 14     | 13                  |
| 1701 | Major Multiple Trauma Without Brain or Spinal Cord Injury M >=62             | 1.4355           | 1.1154 | 1.0668 | 0.9504              | 14                     | 13     | 12     | 11                  |
| 1702 | Major Multiple Trauma Without Brain or Spinal Cord Injury M < 62 and M >= 51 | 1.7939           | 1.3938 | 1.3330 | 1.1876              | 16                     | 15     | 15     | 14                  |
| 1703 | Major Multiple Trauma Without Brain or Spinal Cord Injury M < 51 and M >= 47 | 2.0059           | 1.5585 | 1.4906 | 1.3280              | 17                     | 16     | 16     | 15                  |
| 1704 | Major Multiple Trauma Without Brain or Spinal Cord Injury M < 47 and M >= 39 | 2.1848           | 1.6975 | 1.6236 | 1.4465              | 19                     | 18     | 17     | 16                  |
| 1705 | Major Multiple Trauma Without Brain or Spinal Cord Injury M < 39             | 2.4250           | 1.8841 | 1.8020 | 1.6055              | 21                     | 21     | 19     | 17                  |



continued

**Proposed Revised Relative Weights and Average Length of Stay Values  
for the Proposed Case-Mix Groups**

| CMG  | CMG Description<br>(M=motor, A=age)                                       | Relative Weights |        |        |                     | Average Length of Stay |        |        |                     |
|------|---|------------------|--------|--------|---------------------|------------------------|--------|--------|---------------------|
|      |   | Tier 1           | Tier 2 | Tier 3 | No Comorbidity Tier | Tier 1                 | Tier 2 | Tier 3 | No Comorbidity Tier |
| 1801 | Major Multiple Trauma With Brain or Spinal Cord Injury M >= 72            | 1.1980           | 1.0351 | 0.8752 | 0.8233              | 13                     | 11     | 10     | 10                  |
| 1802 | Major Multiple Trauma With Brain or Spinal Cord Injury M < 72 and M >= 58 | 1.5335           | 1.3250 | 1.1204 | 1.0539              | 14                     | 16     | 12     | 12                  |
| 1803 | Major Multiple Trauma With Brain or Spinal Cord Injury M < 58 and M >= 42 | 2.0608           | 1.7806 | 1.5056 | 1.4162              | 23                     | 19     | 16     | 16                  |
| 1804 | Major Multiple Trauma With Brain or Spinal Cord Injury M < 42             | 2.9220           | 2.5248 | 2.1348 | 2.0081              | 34                     | 25     | 23     | 22                  |
| 1901 | Guillain- Barré M >= 54   | 1.5211           | 1.2331 | 1.1228 | 1.0834              | 16                     | 15     | 12     | 13                  |
| 1902 | Guillain- Barré M < 54  | 3.4558           | 2.8014 | 2.5507 | 2.4613              | 39                     | 28     | 27     | 27                  |
| 2001 | Miscellaneous M >= 70   | 1.2339           | 1.0047 | 0.9349 | 0.8447              | 11                     | 11     | 10     | 10                  |
| 2002 | Miscellaneous M < 70 and M >= 58  | 1.5240           | 1.2410 | 1.1547 | 1.0433              | 14                     | 13     | 12     | 12                  |
| 2003 | Miscellaneous M < 58 and M >= 49  | 1.7837           | 1.4525 | 1.3515 | 1.2211              | 16                     | 15     | 14     | 14                  |
| 2004 | Miscellaneous M < 49  | 2.0373           | 1.6589 | 1.5436 | 1.3947              | 19                     | 17     | 16     | 15                  |
| 2101 | Burns   | 1.9058           | 1.5390 | 1.5118 | 1.3015              | 22                     | 16     | 16     | 14                  |
| 5001 | Short-stay cases, length of stay is 3 days or fewer                       | -                | -      | -      | 0.1801              | -                      | -      | -      | 3                   |
| 5101 | Expired, orthopedic, length of stay is 13 days or fewer                   | -                | -      | -      | 0.6240              | -                      | -      | -      | 7                   |
| 5102 | Expired, orthopedic, length of stay is 14 days or more                    | -                | -      | -      | 1.7071              | -                      | -      | -      | 18                  |
| 5103 | Expired, not orthopedic, length of stay is 15 days or fewer               | -                | -      | -      | 0.6795              | -                      | -      | -      | 7                   |
| 5104 | Expired, not orthopedic, length of stay is 16 days or more                | -                | -      | -      | 2.1069              | -                      | -      | -      | 21                  |

The following would be the most significant differences between the current CMGs and the proposed revised CMGs.

- There would be fewer CMGs than before (88 instead of 92 currently).
- There would be fewer CMGs in RICs 1, 2, 5,8,11, and 19, while there would be more CMGs in RICs 3, 4, 10, 13, 15, 17, and 18.
- A patient's age would affect assignment for CMGs in RICs 1, 3, 4, and 13 whereas it currently affects assignment for CMGs in RICs 1, 4, and 8.

## PROPOSED REVISIONS TO CERTAIN IRF COVERAGE REQUIREMENTS BEGINNING WITH FY 2019

CMS is proposing to modify §412.622(a)(3)(iv) the postadmission physician evaluation required under §412.622(a)(4)(ii) to count as one of the face-to-face physician visits required under §412.622(a)(3)(iv) beginning with FY 2019, that is, for all IRF discharges beginning on or after October 1, 2018. To clarify, CMS is not proposing to modify §412.622(a)(4)(ii), including the 24-hour timeframe within which the post-admission physician evaluation requirement must be completed.

CMS is proposing to amend §412.622(a)(5)(A) to expressly provide that the rehabilitation physician may lead the interdisciplinary meeting remotely without any additional documentation requirements.

CMS is proposing to amend §412.606(a) to remove the admission order documentation requirement beginning with FY 2019, that is, for all IRF discharges beginning on or after October 1, 2018. IRFs would continue to meet the requirements at §§482.12(c), 482.24(c), and 412.3.

## CHANGES TO THE IRF QUALITY REPORTING PROGRAM (QRP)

The IRF QRP currently has 18 currently adopted measures, as outlined in the following table.

| Quality Measures Currently Adopted for the IRF QRP |  |
|--|--|
| Short Name   | Measure Name & Data Source   |
| <b>IRF-PAI</b>                                     |  |
| Pressure Ulcers                                    | Percent of Residents or Patients with Pressure Ulcers That Are New or Worsened (Short Stay) (NQF #0678)  |
| Patient Influenza Vaccine                          | Percent of Residents or Patients Who Were Assessed and Appropriately Given the Seasonal Influenza Vaccine (Short Stay) (NQF #0680)                 |
| Application of Falls                               | Application of Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay) (NQF #0674)*                                      |
| Application of Functional Assessment               | Application of Percent of LTCH Patients with an Admission and Discharge Functional Assessment and a Care Plan That Addresses Function (NQF #2631)* |
| Change in Self-Care                                | IRF Functional Outcome Measure: Change in Self-Care Score for Medical Rehabilitation Patients (NQF #2633)**  |
| Change in Mobility                                 | IRF Functional Outcome Measure: Change in Mobility Score for Medical Rehabilitation Patients (NQF #2634)**   |
| Discharge Self-Care Score                          | IRF Functional Outcome Measure: Discharge Self-Care Score for Medical Rehabilitation Patients (NQF #2635)**  |
| Discharge Mobility Score                           | IRF Functional Outcome Measure: Discharge Mobility Score for Medical Rehabilitation Patients (NQF #2636)**   |
| DRR  | Drug Regimen Review Conducted with Follow-Up for Identified Issues—PAC IRF QRP*  |

Analysis provided for MHA  
by Larry Goldberg,  
Goldberg Consulting

| Quality Measures Currently Adopted for the IRF QRP |   |
|--|---|
| Short Name   | Measure Name & Data Source  |
| <b>NHSN</b>  |   |
| CAUTI  | National Healthcare Safety Network (NHSN) Catheter-Associated Urinary Tract Infection (CAUTI) Outcome Measure (NQF #0138)             |
| MRSA   | NHSN Facility-Wide Inpatient Hospital-Onset Methicillin-Resistant Staphylococcus aureus (MRSA) Bacteremia Outcome Measure (NQF #1716) |
| CDI  | NHSN Facility-wide Inpatient Hospital-Onset Clostridium difficile Infection (CDI) Outcome Measure (NQF #1717)                         |
| HCP Influenza Vaccine                              | Influenza Vaccination Coverage among Healthcare Personnel (NQF #0431)   |
| <b>Claims-based</b>                                |   |
| All-Cause Readmissions                             | All-Cause Unplanned Readmission Measure for 30 Days Post Discharge from IRFs (NQF #2502)  |
| MSPB   | Medicare Spending per Beneficiary (MSPB)–PAC IRF QRP*   |
| DTC  | Discharge to Community–PAC IRF QRP*   |
| Potentially Preventable Readmissions (PPR) 30 day  | Potentially Preventable 30-Day Post-Discharge Readmission Measure for IRF QRP*  |
| PPR Within Stay                                    | Potentially Preventable Within Stay Readmission Measure for IRFs*   |

\*Not currently NQF-endorsed for the IRF setting

\*\*In satisfaction of section 1899B(c)(1) of the Act quality measure domain: functional status, cognitive function, and changes in function and cognitive function domain.

Effective Oct. 1, 2018 (FY 2019), CMS is finalizing the replacement of the current pressure ulcer measure with an updated version of that measure.

## PROPOSED REMOVAL OF TWO IRF QRP MEASURES

CMS is proposing, with the FY 2020 IRF QRP, to remove the National Healthcare Safety Network Facility-wide Inpatient Hospital-onset Methicillin-resistant *Staphylococcus aureus* Bacteremia Outcome Measure (NQF #1716).

CMS is proposing to remove one measure beginning with the FY 2021 IRF QRP: Percent of Residents or Patients Who Were Assessed and Appropriately Given the Seasonal Influenza Vaccine (Short Stay) (NQF #0680).

## COMMENT

Most find change difficult and unwelcome. It can upset many traditional factors. While this isn't a very long rule, and the changes being proposed for FY 2019 appear straightforward and simple to follow, the proposal to modify the CMGs for FY 2020 could prove difficult for many rehabilitation facilities. CMS says that it will be implemented in a budget neutral manner, but that the distributional effects could be a major issue for many facilities.

There a number of items in the proposal, especially those related to quality, that have not been addressed. As always, those involved in quality matters need to review the material indepth.

