

## Report on Medicare Compliance Volume 28, Number 23. June 24, 2019 In Settlement Process, CMS Offers IRFs 100% Payment on Some Claims

---

By Nina Youngstrom

In a version of the appeals settlement process that it consummated with hospitals in 2014 and 2016, CMS on June 17 extended an offer to inpatient rehabilitation facilities (IRFs). CMS will pay IRFs 69% of the net payable amount for claims associated with appeals pending at all levels and, in some cases, 100% of the net payable amount. The process is available for appeals that were filed by Aug. 31, 2018, with the Medicare administrative contractor (MAC).

“The first thing I want to say is ‘Yay’ in capital letters,” says Jane Snecinski, president of Post Acute Advisors in Atlanta, Georgia. IRFs, which are licensed as acute-care beds and certified as rehab beds, have been seeking this option since CMS offered the settlement process to hospitals, especially because IRFs have been under intense scrutiny for years by Medicare auditors (“IRF Claim Denials Are Mounting; Auditors Use Coverage Guidelines, Eye Physician Notes,” *RMC* 26, no. 34), including recovery audit contractors and, more recently, in Targeted Probe and Educate.

IRFs are eligible for 100% of the net payable amount of their claims under either of two circumstances: when the claim was denied solely because “justification for group therapy was not documented in the medical record” or when the claim was denied based solely on patients not satisfying the threshold of therapy time in the absence of a more comprehensive medical necessity review.

This document is only available to subscribers. Please log in or purchase access.

[Purchase Login](#)