

Inpatient Rehabilitation Facility (IRF) Services

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IMPORTANT REMINDER

The Medicare Advantage Medical Policy manual is not intended to override the member Evidence of Coverage (EOC), which defines the insured's benefits, nor is it intended to dictate how providers are to practice medicine. Physicians and other health care providers are expected to exercise their medical judgment in providing the most appropriate care for the individual member.

The Medicare Advantage Medical Policies are designed to provide guidance regarding the decision-making process for the coverage or non-coverage of services or procedures in accordance with the member EOC and the Centers of Medicare and Medicaid Services (CMS) policies, when available. In the event of a conflict, applicable CMS policy or EOC language will take precedence over the Medicare Advantage Medical Policy. In the absence of CMS guidance for a requested service or procedure, the health plan may apply their Medical Policy Manual or MCG™ criteria, both of which are developed with an objective, evidence-based process using scientific evidence, current generally accepted standards of medical practice, and authoritative clinical practice guidelines.

Medicare and EOCs exclude from coverage, among other things, services or procedures considered to be investigational, cosmetic, or not medically necessary, and in some cases, providers may bill members for these non-covered services or procedures. Providers are encouraged to inform members in advance when they may be financially responsible for the cost of non-covered or excluded services.

DESCRIPTION

Inpatient rehabilitation facilities (IRFs) are “free standing rehabilitation hospitals and rehabilitation units in acute care hospitals. They provide an intensive rehabilitation program and patients who are admitted must be able to tolerate three hours of intense rehabilitation services per day.”^[1]

MEDICARE ADVANTAGE POLICY CRITERIA

Note: This policy does not apply to skilled nursing facility (SNF) services. The Medicare Advantage Medical Policy, M-UM08, addresses these services (see Cross References).

Request:

CMS Coverage Manuals

Read all applicable sections and subsections, in their entirety, for complete criteria details.

Initial Admission

Medicare Benefit Policy Manual

Chapter 1 - Inpatient Hospital Services Covered Under Part A,

See Section 110.2 in the following link:

[§110.2 - Inpatient Rehabilitation Facility Medical Necessity Criteria](#)

Continued Stays

Medicare Benefit Policy Manual

Chapter 1 - Inpatient Hospital Services Covered Under Part A,

See Section 110.3, specifically the documentation required to justify the need for a continued IRF stay in the 3rd paragraph of the following link:

[§110.3 - Definition of Measurable Improvement](#)

See also the *Medicare Claims Processing Manual, Chapter 3 - Inpatient Hospital Billing, §140.1.1 - Criteria That Must Be Met By Inpatient Rehabilitation Facilities, C. List of Medical Conditions*, for a list of medical conditions that may require intensive rehabilitative services. **Important note:** “IRF care is only considered by Medicare to be reasonable and necessary under 1862(a)(1)(A) if the patient meets all of the requirements... interpreted in Chapter 1, Section 110 of the Medicare Benefit Policy Manual... This is true regardless of whether the patient is treated in the IRF for 1 or more of the 13 medical conditions listed in 42 CFR 412.23(b)(2)(iii) or not.”⁽²⁾ **Therefore, inclusion of a medical condition on this list does not imply automatic coverage. All applicable criteria from Section 110 (above) must still be satisfied.**

POLICY GUIDELINES

REQUIRED DOCUMENTATION

The information below **must** be submitted for review to determine whether policy criteria are met. If any of these items are not submitted, it could impact our review and decision outcome:

- The IRF medical record should include, but not limited to, the following:
 - Pre-admission screening, post-admission physician evaluation, and individualized care plan and admission orders;
 - Therapeutic goals set for the individual member;
 - The active and ongoing therapeutic intervention of multiple therapy disciplines (physical therapy, occupational therapy, speech-language pathology, or prosthetics/orthotics) anticipated to be provided (prior to admission) and those that are provided during the course of the IRF stay (after admission);
 - The patient’s response to the services provided during the course of the admission;
 - Any other pertinent characteristics of the beneficiary.

CROSS REFERENCES

[Home Health \(HH\) Services](#), Utilization Management, Policy No. M-02

[Skilled Nursing Facility \(SNF\) Services](#), Utilization Management, Policy No. M-08

REFERENCES

1. Medicare [Inpatient Rehabilitation Facilities](#) web page
2. [42 CFR 412.23\(b\)\(2\)\(iii\)](#)
3. Medicare Learning Network (MLN) Matters® Number: [MM6699](#) Revised
1. Fact Sheet #1, [Inpatient Rehabilitation Facility Classification Requirements](#) (see section for “Changes to the List of Medical Conditions Requiring Intensive Rehabilitative Services”)

CODING

Codes	Number	Description
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CPT	N/A	
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HCPCS	N/A	
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***IMPORTANT NOTE:** Medicare Advantage medical policies use the most current Medicare references available at the time the policy was developed. Links to Medicare references will take viewers to external websites outside of the health plan’s web control as these sites are not maintained by the health plan.