

Proposed Changes to the IPPS & ITCH-PPS; Effective Date of Provider Agreements and Supplier Approvals; Hospital CoPs for Rehabilitation and Respiratory Care Services; and Proposed Changes to the Medicaid Program regarding: Accreditation Requirements for Providers of Inpatient Psychiatric Services for Individuals Under Age 21

Executive Summary

CMS has proposed several changes to Medicare and Medicaid. Proposed changes for Medicare include changes to the payment policy, changes in CoPs for hospitals providing Rehabilitation and Respiratory Care (specifically dealing with who will be permitted to submit orders for such care), and changes to the effective date of provider and supplier agreements. An additional change has been proposed for Medicaid regarding the accreditation requirements for providers of inpatient psychiatric services to those under the age of 21.

Below is a more detailed summary of the proposed changes. Comments may be submitted until June 18, 2010.

A. Changes In Payment Policy

Several changes have been proposed regarding the payment policy including rates, factors and policies.

B. Change In The Medicare CoPs For Hospitals Relating To Rehabilitation And Respiratory Care Practitioners

- *Rehabilitation Services* - CMS believes the current CoPs for rehabilitation are too broad because they allow any practitioner to order rehabilitation services as long as they are authorized by the medical staff. State limitations paired with other issues such as conflict of interest and patient safety lead CMS to believe the rule should be narrower. Therefore, Medicare will require that orders be made by a qualified and licensed practitioner who is responsible for the care of the patient and authorized by medical staff and hospital policies as well as state law.
- *Respiratory Services*- Currently, the order for respiratory services must come from a doctor of medicine or osteopathy which CMS believes is too narrow because it excludes nurse practitioners and physician assistants. The proposed rule change will include such practitioners provided hospital policies and state laws allow. Therefore the proposed change will broaden the rule to include any licensed and qualified practitioner who is responsible for the care of the patient, and who is authorized by state law as well as the medical staff and hospital policies.
- Both of these rules will require documentation to comply with particular standards.

C. Changes To The Effective Date Of Provider Agreements And Supplier Approvals

- The proposed rule change would make it clear that only CMS can determine whether a facility has met the requirements for participation in Medicare. State survey

agencies and national accreditation organizations cannot make this determination. CMS is also the body who determines whether a supplier is eligible for participation.

- Additional language would make it clear that surveys for non-accredited facilities can be conducted by CMS staff or contractors.
- Further, new language would make it clear that the effective date of a provider agreement or supplier approval must be after the latest date on which Federal Requirements are met. Federal requirements will be defined to include, though will not be limited to, the determination by CMS that enrollment requirements have been met. Finally, non-accredited and accredited facilities will be treated the same way. This includes the effective date which will be the same for accredited and non-accredited facilities.
- Finally, a couple of technical amendments would be made.

D. Proposed change to Medicaid: Increased Flexibility In Accreditation Requirements For Psychiatric Facilities, Hospitals, And Inpatient Programs

- The proposed rule would remove the Medicaid requirement for accreditation from the Joint Commission for psychiatric hospitals providing services to those under the age of 21 and hospitals with inpatient psychiatric programs providing services to those under the age of 21. Instead, the facilities would have an option to either meet the requirements under Medicare or to obtain accreditation from a national organization approved by CMS.
- Psychiatric residential treatment facilities (PRTFs), will also be afforded increased flexibility. They will also be permitted to obtain accreditation by a national organization provided it has been approved by CMS or by another accrediting organization with comparable standards recognized by the state.