



WASHINGTON

perspectives

**An Analysis and Commentary on Federal Health Care Issues
by Larry Goldberg**

August 1, 2024

CMS Releases Final Inpatient Rehabilitation Facility FY 2025 PPS Update



The Centers for Medicare and Medicaid Services (CMS) have released its final rule to update the Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS) for FY 2025.

A copy of the 162-page document is available at: <https://public-inspection.federalregister.gov/2024-16911.pdf>. The rule is scheduled for publication in the *Federal Register* on August 6.

The rule includes the classification and weighting factors for the IRF PPS's case-mix groups (CMGs), a description of the methodologies and data used in computing the prospective payment rates for FY 2025, and revised OMB core-based statistical area delineations from the July 21, 2023, OMB Bulletin (No. 23-01) for the IRF PPS wage index.

The rule finalizes the collection of four new items as standardized patient assessment data elements and the modification of one item collected as a standardized patient assessment data element, in the IRF-Patient Assessment Instrument (IRF-PAI) beginning with the FY 2028 IRF QRP. They are (1) one item for Living Situation, (2) two items for Food, and (3) one item for Utilities.

Comment

Once again, CMS has not provided any form of a table of contents. We are adding page numbers, in red, based on the display copy of rule.

The order of this analysis does not follow the rule. We have placed the financial changes first, whereas CMS has the area wage index changes first. CMS provides the following cost analysis of the rule.

(Page 3)

Provision Description	Transfers/Costs
FY 2025 IRF PPS payment rate update	The overall economic impact of this final rule is an estimated \$280 million in increased payments from the Federal Government to IRFs during FY 2025.
FY 2028 IRF QRP changes	The overall economic impact of this final rule is an estimated increase in costs to IRFs of \$392,113.40 beginning with the FY 2028 IRF QRP.

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FY 2025 IRF PPS PAYMENT UPDATE (Page 21)

FY 2025 Market Basket Update and Productivity Adjustments (Page 22)

Based on IGI's second quarter 2024 forecast with historical data through the first quarter of 2024, the 2021-based IRF market basket percentage increase for FY 2025 is 3.5 percent. It was proposed at 3.2 percent.

Using IGI's second quarter 2024 forecast, the 10-year moving average growth of total factor productivity (TFP) for FY 2025 is projected to be 0.5 percent. It was proposed to be 0.4 percent.

Thus the FY 2025 IRF update is equal to **3.0 percent** (3.5 percent market basket percentage increase reduced by the 0.5 percentage point productivity adjustment).

Labor-Share (Page 36)

The total labor-related share for FY 2025 is **74.4 percent**.

FY 2025 IRF Labor-Related Share and FY 2024 IRF Labor-Related Share

	FY 2025 Labor-Related Share	FY 2024 Labor Related Share
Wages and Salaries	49.4	49.0
Employee Benefits	11.8	11.8
Professional Fees: Labor-Related	5.5	5.5
Administrative and Facilities Support Services	0.7	0.7
Installation, Maintenance, and Repair Services	1.5	1.5
All Other: Labor-Related Services	1.8	1.8
Subtotal	70.7	70.3
Labor-related portion of Capital-Related (46%)	3.7	3.8
Total Labor-Related Share	74.4	74.1

IRF Standard Payment Conversion Factor and Payment Rates for FY 2025 (Page 61)

Calculations to Determine the FY 2025 Standard Payment Conversion Factor

Explanation for Adjustment	Calculations
FY 2024 Standard Payment Conversion Factor	\$18,541
Market Basket Increase Factor for FY 2025 (3.5%), reduced by 0.5 percentage point for the productivity adjustment as required by section 1886(j)(3)(C)(ii)(I) of the Act	x 1.030
Budget Neutrality Factor for the Updates to the Wage Index and Labor-Related Share	x 0.9924
Budget Neutrality Factor for the Revisions to the CMG Relative Weights	x 0.9976
FY 2025 Standard Payment Conversion Factor	= \$18,907

CMS applies the CMG relative weights to the FY 2025 standard payment conversion factor (\$18,907), to determine the unadjusted IRF prospective payment rates for FY 2025.

**Relative Weights and Average Length of Stay (ALOS) Values
for the Case Mix Groups for FY 2025 (Page 15)**

CMG	CMG Description (M=motor, A=age)	Relative Weight				Average Length of Stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity Tier	Tier1	Tier 2	Tier3	No Comorbidity Tier
0101	Stroke M >=72.50	0.9790	0.8491	0.7759	0.7394	10	10	9	8
0102	Stroke M >=63.50 and M <72.50	1.2423	1.0774	0.9845	0.9383	11	11	11	10
0103	Stroke M >=50.50 and M <63.50	1.6012	1.3887	1.2690	1.2093	14	15	13	13
0104	Stroke M >=41.50 and M <50.50	2.0435	1.7722	1.6195	1.5434	17	17	16	16
0105	Stroke M <41.50 and A >=84.50	2.5553	2.2161	2.0251	1.9300	22	22	20	20
0106	Stroke M <41.50 and A <84.50	2.9064	2.5206	2.3034	2.1951	24	24	23	23
0201	Traumatic brain injury M >=73.50	1.0198	0.8399	0.7629	0.7182	9	10	8	8
0202	Traumatic brain injury M >=61.50 and M <73.50	1.3336	1.0984	0.9976	0.9393	12	12	11	10
0203	Traumatic brain injury M >=49.50 and M <61.50	1.6608	1.3679	1.2424	1.1697	14	15	13	13
0204	Traumatic brain injury M >=35.50 and M <49.50	2.0598	1.6966	1.5409	1.4508	18	17	16	15
0205	Traumatic brain injury M <35.50	2.6385	2.1731	1.9738	1.8583	29	22	19	18
0301	Non-traumatic brain injury M >=65.50	1.1987	0.9590	0.8810	0.8303	10	10	9	9
0302	Non-traumatic brain injury M >=52.50 and M <65.50	1.5498	1.2400	1.1390	1.0735	13	12	12	11
0303	Non-traumatic brain injury M >=42.50 and M <52.50	1.8648	1.4919	1.3705	1.2917	15	15	14	14
0304	Non-traumatic brain injury M <42.50 and A >=78.50	2.1621	1.7298	1.5890	1.4977	20	17	16	15
0305	Non-traumatic brain injury M <42.50 and A <78.50	2.3845	1.9077	1.7524	1.6517	20	19	17	16
0401	Traumatic spinal cord injury M >=56.50	1.2060	1.0725	1.0411	0.9460	13	11	11	11
0402	Traumatic spinal cord injury M >=47.50 and M <56.50	1.5554	1.3832	1.3427	1.2201	16	14	14	13
0403	Traumatic spinal cord injury M >=41.50 and M <47.50	1.9519	1.7358	1.6850	1.5311	18	17	17	17
0404	Traumatic spinal cord injury M <31.50 and A <61.50	3.0476	2.7102	2.6309	2.3906	23	31	24	23
0405	Traumatic spinal cord injury M >=31.50 and M <41.50	2.4236	2.1553	2.0922	1.9011	27	21	21	21
0406	Traumatic spinal cord injury M >=24.50 and M <31.50 and A >=61.50	3.0925	2.7501	2.6696	2.4258	27	31	26	25
0407	Traumatic spinal cord injury M <24.50 and A >=61.50	4.2278	3.7597	3.6497	3.3163	42	39	33	36
0501	Non-traumatic spinal cord injury M >=60.50	1.2699	0.9879	0.9333	0.8600	11	11	10	10
0502	Non-traumatic spinal cord injury M >=53.50 and M <60.50	1.5931	1.2393	1.1709	1.0789	16	12	12	12
0503	Non-traumatic spinal cord injury M >=48.50 and M <53.50	1.8261	1.4206	1.3421	1.2368	15	14	14	13
0504	Non-traumatic spinal cord injury M >=39.50 and M <48.50	2.1707	1.6887	1.5954	1.4702	19	17	16	16
0505	Non-traumatic spinal cord injury M <39.50	3.0163	2.3466	2.2169	2.0429	26	23	22	20
0601	Neurological M >=64.50	1.3287	0.9948	0.9287	0.8376	10	10	10	9
0602	Neurological M >=52.50 and M <64.50	1.6853	1.2618	1.1779	1.0623	13	12	12	11
0603	Neurological M >=43.50 and M <52.50	1.9858	1.4867	1.3879	1.2517	15	14	13	13
0604	Neurological M <43.50	2.4904	1.8645	1.7406	1.5698	20	17	16	16

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CMG	CMG Description (M=motor, A=age)	Relative Weight				Average Length of Stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity Tier	Tier1	Tier 2	Tier3	No Comorbidity Tier
0701	Fracture of lower extremity M >=61.50	1.2542	0.9702	0.9191	0.8492	12	11	10	9
0702	Fracture of lower extremity M >=52.50 and M <61.50	1.5492	1.1984	1.1352	1.0488	13	13	12	11
0703	Fracture of lower extremity M >=41.50 and M <52.50	1.9051	1.4737	1.3960	1.2898	16	15	14	14
0704	Fracture of lower extremity M <41.50	2.3273	1.8003	1.7054	1.5756	19	18	17	16
0801	Replacement of lower-extremity joint M >=63.50	1.2157	0.9755	0.8894	0.8295	10	10	9	9
0802	Replacement of lower-extremity joint M >=57.50 and M <63.50	1.3783	1.1060	1.0083	0.9404	11	11	10	10
0803	Replacement of lower-extremity joint M >=51.50 and M <57.50	1.5341	1.2310	1.1223	1.0468	12	12	11	11
0804	Replacement of lower-extremity joint M >=42.50 and M <51.50	1.7187	1.3791	1.2574	1.1727	14	14	13	12
0805	Replacement of lower-extremity joint M <42.50	2.0613	1.6540	1.5080	1.4065	16	16	15	14
0901	Other orthopedic M >=63.50	1.2017	0.9625	0.8971	0.8208	10	10	9	9
0902	Other orthopedic M >=51.50 and M <63.50	1.4967	1.1988	1.1173	1.0223	12	12	12	11
0903	Other orthopedic M >=44.50 and M <51.50	1.7873	1.4315	1.3343	1.2208	14	14	13	13
0904	Other orthopedic M <44.5	2.1416	1.7153	1.5988	1.4628	17	17	16	15
1001	Amputation lower extremity M >=64.50	1.2110	1.0015	0.9149	0.8196	11	11	10	9
1002	Amputation lower extremity M >=55.50 and M <64.50	1.5341	1.2687	1.1590	1.0383	14	14	12	11
1003	Amputation lower extremity M >=47.50 and M <55.50	1.7974	1.4865	1.3579	1.2166	15	15	14	13
1004	Amputation lower extremity M <47.50	2.3011	1.9031	1.7384	1.5575	19	19	17	16
1101	Amputation non-lower extremity M >=58.50	1.2650	1.0169	1.0169	0.9964	10	11	12	11
1102	Amputation non-lower extremity M >=52.50 and M <58.50	1.6083	1.2928	1.2928	1.2667	13	14	14	13
1103	Amputation non-lower extremity M <52.50	2.0056	1.6122	1.6122	1.5796	17	14	17	14
1201	Osteoarthritis M >=61.50	1.3277	1.0094	0.9464	0.8652	11	10	9	10
1202	Osteoarthritis M >=49.50 and M <61.50	1.6074	1.2220	1.1458	1.0475	13	11	11	11
1203	Osteoarthritis M <49.50 and A >=74.50	2.0824	1.5831	1.4844	1.3570	16	17	15	14
1204	Osteoarthritis M <49.50 and A <74.50	2.1837	1.6602	1.5566	1.4231	17	15	16	13
1301	Rheumatoid other arthritis M >=62.50	1.0905	0.9016	0.8606	0.8006	10	9	10	8
1302	Rheumatoid other arthritis M >=51.50 and M <62.50	1.4906	1.2325	1.1765	1.0944	13	12	12	12
1303	Rheumatoid other arthritis M >=44.50 and M <51.50 and A >=64.50	1.6958	1.4022	1.3384	1.2451	15	13	13	13
1304	Rheumatoid other arthritis M <44.50 and A >=64.50	2.1416	1.7707	1.6902	1.5724	16	17	16	16
1305	Rheumatoid other arthritis M <51.50 and A <64.50	2.0509	1.6957	1.6186	1.5058	17	14	14	16
1401	Cardiac M >=68.50	1.1285	0.8890	0.8266	0.7606	10	9	9	8
1402	Cardiac M >=55.50 and M <68.50	1.4312	1.1275	1.0483	0.9646	12	12	11	10
1403	Cardiac M >=45.50 and M <55.50	1.7512	1.3796	1.2827	1.1803	14	14	13	12
1404	Cardiac M <45.50	2.1458	1.6904	1.5717	1.4462	18	16	15	14
1501	Pulmonary M >=68.50	1.2739	1.0339	0.9724	0.9096	12	10	9	9

CMG	CMG Description (M=motor, A=age)	Relative Weight				Average Length of Stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity Tier	Tier1	Tier 2	Tier3	No Comorbidity Tier
1502	Pulmonary M >=56.50 and M <68.50	1.6160	1.3116	1.2335	1.1539	13	12	12	11
1503	Pulmonary M >=45.50 and M <56.50	1.8366	1.4906	1.4019	1.3114	16	14	13	12
1504	Pulmonary M <45.50	2.2744	1.8460	1.7361	1.6240	19	17	16	15
1601	Pain syndrome M >=65.50	1.3092	0.9725	0.8790	0.8137	9	10	9	9
1602	Pain syndrome M >=58.50 and M <65.50	1.5003	1.1144	1.0072	0.9324	10	11	10	10
1603	Pain syndrome M >=43.50 and M <58.50	1.8947	1.4073	1.2720	1.1775	13	13	13	12
1604	Pain syndrome M <43.50	2.3475	1.7436	1.5760	1.4589	14	15	16	14
1701	Major multiple trauma without brain or spinal cord injury M >=57.50	1.3371	1.0393	0.9626	0.8733	11	11	10	10
1702	Major multiple trauma without brain or spinal cord injury M >=50.50 and M <57.50	1.6612	1.2913	1.1959	1.0850	13	14	12	12
1703	Major multiple trauma without brain or spinal cord injury M >=41.50 and M <50.50	1.9740	1.5344	1.4211	1.2893	16	15	14	14
1704	Major multiple trauma without brain or spinal cord injury M >=36.50 and M <41.50	2.2343	1.7367	1.6084	1.4592	17	17	16	15
1705	Major multiple trauma without brain or spinal cord injury M <36.50	2.6220	2.0381	1.8875	1.7124	22	20	19	17
1801	Major multiple trauma with brain or spinal cord injury M >=67.50	1.0603	0.8458	0.8030	0.7445	11	10	10	9
1802	Major multiple trauma with brain or spinal cord injury M >=55.50 and M <67.50	1.4225	1.1348	1.0774	0.9989	13	12	12	11
1803	Major multiple trauma with brain or spinal cord injury M >=45.50 and M <55.50	1.8276	1.4580	1.3842	1.2834	17	16	15	14
1804	Major multiple trauma with brain or spinal cord injury M >=40.50 and M <45.50	1.9986	1.5944	1.5136	1.4034	18	16	15	15
1805	Major multiple trauma with brain or spinal cord injury M >=30.50 and M <40.50	2.4231	1.9330	1.8351	1.7015	19	21	18	17
1806	Major multiple trauma with brain or spinal cord injury M <30.50	3.4412	2.7452	2.6062	2.4164	39	28	24	23
1901	Guillain-Barré M >=66.50	1.0402	0.7997	0.7462	0.7333	11	9	9	8
1902	Guillain-Barré M >=51.50 and M <66.50	1.6645	1.2797	1.1941	1.1734	17	14	13	13
1903	Guillain-Barré M >=38.50 and M <51.50	2.5114	1.9307	1.8016	1.7704	23	19	17	19
1904	Guillain-Barré M <38.50	3.6583	2.8125	2.6244	2.5790	32	29	25	25
2001	Miscellaneous M >=66.50	1.1804	0.9429	0.8808	0.8017	10	10	9	9
2002	Miscellaneous M >=55.50 and M <66.50	1.4718	1.1756	1.0982	0.9996	12	12	11	11
2003	Miscellaneous M >=46.50 and M <55.50	1.7625	1.4078	1.3151	1.1970	15	14	13	12
2004	Miscellaneous M <46.50 and A >=77.50	2.1073	1.6832	1.5724	1.4312	18	16	15	15
2005	Miscellaneous M <46.50 and A <77.50	2.2212	1.7742	1.6574	1.5086	19	18	16	15
2101	Burns M >=52.50	1.5049	1.1435	1.1435	0.9766	14	14	13	11
2102	Burns M <52.50	2.3176	1.7611	1.7611	1.5040	19	23	18	15
5001	Short-stay cases, length of stay is 3 days or fewer	0.0000	0.0000	0.0000	0.1710	0	0	0	2
5101	Expired, orthopedic, length of stay is 13 days or fewer	0.0000	0.0000	0.0000	0.7522	0	0	0	8

CMG	CMG Description (M=motor, A=age)	Relative Weight				Average Length of Stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity Tier	Tier1	Tier 2	Tier3	No Comorbidity Tier
5102	Expired, orthopedic, length of stay is 14 days or more	0.0000	0.0000	0.0000	1.7926	0	0	0	16
5103	Expired, not orthopedic, length of stay is 15 days or fewer	0.0000	0.0000	0.0000	0.9195	0	0	0	9
5104	Expired, not orthopedic, length of stay is 16 days or more	0.0000	0.0000	0.0000	2.3834	0	0	0	23

FY 2025 IRF PPS Payment Rates (Page 61)

CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
0101	\$18,509.95	\$16,053.93	\$14,669.94	\$13,979.84
0102	\$23,488.17	\$20,370.40	\$18,613.94	\$17,740.44
0103	\$30,273.89	\$26,256.15	\$23,992.98	\$22,864.24
0104	\$38,636.45	\$33,506.99	\$30,619.89	\$29,181.06
0105	\$48,313.06	\$41,899.80	\$38,288.57	\$36,490.51
0106	\$54,951.30	\$47,656.98	\$43,550.38	\$41,502.76
0201	\$19,281.36	\$15,879.99	\$14,424.15	\$13,579.01
0202	\$25,214.38	\$20,767.45	\$18,861.62	\$17,759.35
0203	\$31,400.75	\$25,862.89	\$23,490.06	\$22,115.52
0204	\$38,944.64	\$32,077.62	\$29,133.80	\$27,430.28
0205	\$49,886.12	\$41,086.80	\$37,318.64	\$35,134.88
0301	\$22,663.82	\$18,131.81	\$16,657.07	\$15,698.48
0302	\$29,302.07	\$23,444.68	\$21,535.07	\$20,296.66
0303	\$35,257.77	\$28,207.35	\$25,912.04	\$24,422.17
0304	\$40,878.82	\$32,705.33	\$30,043.22	\$28,317.01
0305	\$45,083.74	\$36,068.88	\$33,132.63	\$31,228.69
0401	\$22,801.84	\$20,277.76	\$19,684.08	\$17,886.02
0402	\$29,407.95	\$26,152.16	\$25,386.43	\$23,068.43
0403	\$36,904.57	\$32,818.77	\$31,858.30	\$28,948.51
0404	\$57,620.97	\$51,241.75	\$49,742.43	\$45,199.07
0405	\$45,823.01	\$40,750.26	\$39,557.23	\$35,944.10
0406	\$58,469.90	\$51,996.14	\$50,474.13	\$45,864.60
0407	\$79,935.01	\$71,084.65	\$69,004.88	\$62,701.28
0501	\$24,010.00	\$18,678.23	\$17,645.90	\$16,260.02
0502	\$30,120.74	\$23,431.45	\$22,138.21	\$20,398.76
0503	\$34,526.07	\$26,859.28	\$25,375.08	\$23,384.18
0504	\$41,041.42	\$31,928.25	\$30,164.23	\$27,797.07
0505	\$57,029.18	\$44,367.17	\$41,914.93	\$38,625.11
0601	\$25,121.73	\$18,808.68	\$17,558.93	\$15,836.50
0602	\$31,863.97	\$23,856.85	\$22,270.56	\$20,084.91
0603	\$37,545.52	\$28,109.04	\$26,241.03	\$23,665.89
0604	\$47,085.99	\$35,252.10	\$32,909.52	\$29,680.21
0701	\$23,713.16	\$18,343.57	\$17,377.42	\$16,055.82
0702	\$29,290.72	\$22,658.15	\$21,463.23	\$19,829.66
0703	\$36,019.73	\$27,863.25	\$26,394.17	\$24,386.25
0704	\$44,002.26	\$34,038.27	\$32,244.00	\$29,789.87

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CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
0801	\$22,985.24	\$18,443.78	\$16,815.89	\$15,683.36
0802	\$26,059.52	\$20,911.14	\$19,063.93	\$17,780.14
0803	\$29,005.23	\$23,274.52	\$21,219.33	\$19,791.85
0804	\$32,495.46	\$26,074.64	\$23,773.66	\$22,172.24
0805	\$38,973.00	\$31,272.18	\$28,511.76	\$26,592.70
0901	\$22,720.54	\$18,197.99	\$16,961.47	\$15,518.87
0902	\$28,298.11	\$22,665.71	\$21,124.79	\$19,328.63
0903	\$33,792.48	\$27,065.37	\$25,227.61	\$23,081.67
0904	\$40,491.23	\$32,431.18	\$30,228.51	\$27,657.16
1001	\$22,896.38	\$18,935.36	\$17,298.01	\$15,496.18
1002	\$29,005.23	\$23,987.31	\$21,913.21	\$19,631.14
1003	\$33,983.44	\$28,105.26	\$25,673.82	\$23,002.26
1004	\$43,506.90	\$35,981.91	\$32,867.93	\$29,447.65
1101	\$23,917.36	\$19,226.53	\$19,226.53	\$18,838.93
1102	\$30,408.13	\$24,442.97	\$24,442.97	\$23,949.50
1103	\$37,919.88	\$30,481.87	\$30,481.87	\$29,865.50
1201	\$25,102.82	\$19,084.73	\$17,893.58	\$16,358.34
1202	\$30,391.11	\$23,104.35	\$21,663.64	\$19,805.08
1203	\$39,371.94	\$29,931.67	\$28,065.55	\$25,656.80
1204	\$41,287.22	\$31,389.40	\$29,430.64	\$26,906.55
1301	\$20,618.08	\$17,046.55	\$16,271.36	\$15,136.94
1302	\$28,182.77	\$23,302.88	\$22,244.09	\$20,691.82
1303	\$32,062.49	\$26,511.40	\$25,305.13	\$23,541.11
1304	\$40,491.23	\$33,478.62	\$31,956.61	\$29,729.37
1305	\$38,776.37	\$32,060.60	\$30,602.87	\$28,470.16
1401	\$21,336.55	\$16,808.32	\$15,628.53	\$14,380.66
1402	\$27,059.70	\$21,317.64	\$19,820.21	\$18,237.69
1403	\$33,109.94	\$26,084.10	\$24,252.01	\$22,315.93
1404	\$40,570.64	\$31,960.39	\$29,716.13	\$27,343.30
1501	\$24,085.63	\$19,547.95	\$18,385.17	\$17,197.81
1502	\$30,553.71	\$24,798.42	\$23,321.78	\$21,816.79
1503	\$34,724.60	\$28,182.77	\$26,505.72	\$24,794.64
1504	\$43,002.08	\$34,902.32	\$32,824.44	\$30,704.97
1601	\$24,753.04	\$18,387.06	\$16,619.25	\$15,384.63
1602	\$28,366.17	\$21,069.96	\$19,043.13	\$17,628.89
1603	\$35,823.09	\$26,607.82	\$24,049.70	\$22,262.99
1604	\$44,384.18	\$32,966.25	\$29,797.43	\$27,583.42
1701	\$25,280.55	\$19,650.05	\$18,199.88	\$16,511.48
1702	\$31,408.31	\$24,414.61	\$22,610.88	\$20,514.10
1703	\$37,322.42	\$29,010.90	\$26,868.74	\$24,376.80
1704	\$42,243.91	\$32,835.79	\$30,410.02	\$27,589.09
1705	\$49,574.15	\$38,534.36	\$35,686.96	\$32,376.35
1801	\$20,047.09	\$15,991.54	\$15,182.32	\$14,076.26
1802	\$26,895.21	\$21,455.66	\$20,370.40	\$18,886.20
1803	\$34,554.43	\$27,566.41	\$26,171.07	\$24,265.24
1804	\$37,787.53	\$30,145.32	\$28,617.64	\$26,534.08
1805	\$45,813.55	\$36,547.23	\$34,696.24	\$32,170.26
1806	\$65,062.77	\$51,903.50	\$49,275.42	\$45,686.87

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CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
1901	\$19,667.06	\$15,119.93	\$14,108.40	\$13,864.50
1902	\$31,470.70	\$24,195.29	\$22,576.85	\$22,185.47
1903	\$47,483.04	\$36,503.74	\$34,062.85	\$33,472.95
1904	\$69,167.48	\$53,175.94	\$49,619.53	\$48,761.15
2001	\$22,317.82	\$17,827.41	\$16,653.29	\$15,157.74
2002	\$27,827.32	\$22,227.07	\$20,763.67	\$18,899.44
2003	\$33,323.59	\$26,617.27	\$24,864.60	\$22,631.68
2004	\$39,842.72	\$31,824.26	\$29,729.37	\$27,059.70
2005	\$41,996.23	\$33,544.80	\$31,336.46	\$28,523.10
2101	\$28,453.14	\$21,620.15	\$21,620.15	\$18,464.58
2102	\$43,818.86	\$33,297.12	\$33,297.12	\$28,436.13
5001	\$ -	\$ -	\$ -	\$3,233.10
5101	\$ -	\$ -	\$ -	\$14,221.85
5102	\$ -	\$ -	\$ -	\$33,892.69
5103	\$ -	\$ -	\$ -	\$17,384.99
5104	\$ -	\$ -	\$ -	\$45,062.94

Update to Payments for High-Cost Outliers under the IRF PPS for FY 2025 (Page 65)

CMS estimates that IRF outlier payments as a percentage of total estimated payments will be approximately 3.2 percent in FY 2024.

Therefore, CMS is updating the outlier threshold amount from \$10,423 for FY 2024 to **\$12,043** for FY 2025 to maintain estimated outlier payments at approximately 3.0 percent of total estimated aggregate IRF payments for FY 2025.

Wage Adjustment for FY 2025 (Page 58)

The wage index applicable to FY 2025 is set forth in Table A and Table B available on the CMS website at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/IRF-Rules-and-Related-Files.html>.

a. Urban Counties Becoming Rural (Page 32)

CMS’ analysis shows that a total of 54 counties (and county equivalents) that are currently considered part of an urban CBSA would be considered located in a rural area, for IRF PPS payment beginning in FY 2025. The table below lists 49 urban counties that will become rural. Excluded are 5 areas in Puerto Rico.

Counties That Will Transition from Urban to Rural Status

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
01129	Washington	AL	33660	Mobile, AL
05025	Cleveland	AR	38220	Pine Bluff, AR
05047	Franklin	AR	22900	Fort Smith, AR-OK
05069	Jefferson	AR	38220	Pine Bluff, AR
05079	Lincoln	AR	38220	Pine Bluff, AR

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
09015	Windham	CT	49340	Worcester, MA-CT
10005	Sussex	DE	41540	Salisbury, MD-DE
13171	Lamar	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA
16077	Power	ID	38540	Pocatello, ID
17057	Fulton	IL	37900	Peoria, IL
17077	Jackson	IL	16060	Carbondale-Marion, IL
17087	Johnson	IL	16060	Carbondale-Marion, IL
17183	Vermilion	IL	19180	Danville, IL
17199	Williamson	IL	16060	Carbondale-Marion, IL
18121	Parke	IN	45460	Terre Haute, IN
18133	Putnam	IN	26900	Indianapolis-Carmel-Anderson, IN
18161	Union	IN	17140	Cincinnati, OH-KY-IN
21091	Hancock	KY	36980	Owensboro, KY
21101	Henderson	KY	21780	Evansville, IN-KY
22045	Iberia	LA	29180	Lafayette, LA
24001	Allegany	MD	19060	Cumberland, MD-WV
24047	Worcester	MD	41540	Salisbury, MD-DE
25011	Franklin	MA	44140	Springfield, MA
26155	Shiawassee	MI	29620	Lansing-East Lansing, MI
27075	Lake	MN	20260	Duluth, MN-WI
28031	Covington	MS	25620	Hattiesburg, MS
31051	Dixon	NE	43580	Sioux City, IA-NE-SD
36123	Yates	NY	40380	Rochester, NY
37049	Craven	NC	35100	New Bern, NC
37077	Granville	NC	20500	Durham-Chapel Hill, NC
37085	Harnett	NC	22180	Fayetteville, NC
37087	Haywood	NC	11700	Asheville, NC
37103	Jones	NC	35100	New Bern, NC
37137	Pamlico	NC	35100	New Bern, NC
42037	Columbia	PA	14100	Bloomsburg-Berwick, PA
42085	Mercer	PA	49660	Youngstown-Warren-Boardman, OH-PA
42089	Monroe	PA	20700	East Stroudsburg, PA
42093	Montour	PA	14100	Bloomsburg-Berwick, PA
42103	Pike	PA	35084	Newark, NJ-PA
45027	Clarendon	SC	44940	Sumter, SC
48431	Sterling	TX	41660	San Angelo, TX
49003	Box Elder	UT	36260	Ogden-Clearfield, UT
51113	Madison	VA	47894	Washington-Arlington-Alexandria, DC-VA-MD-WV
51175	Southampton	VA	47260	Virginia Beach-Norfolk-Newport News, VA-NC
51620	Franklin City	VA	47260	Virginia Beach-Norfolk-Newport News, VA-NC
54035	Jackson	WV	16620	Charleston, WV

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
54043	Lincoln	WV	16620	Charleston, WV
54057	Mineral	WV	19060	Cumberland, MD-WV
55069	Lincoln	WI	48140	Wausau-Weston, WI

b. Rural Counties Becoming Urban (Page 47)

CMS’ analysis of the new OMB delineations shows that a total of 54 counties (and county equivalents) that are currently located in rural areas would be in urban areas. They are as follows.

Counties That Would Transition from Rural to Urban Status

FIPS County Code	County	State	CBSA	CBSA Name
01087	Macon	AL	12220	Auburn-Opelika, AL
01127	Walker	AL	13820	Birmingham, AL
12133	Washington	FL	37460	Panama City-Panama City Beach, FL
13187	Lumpkin	GA	12054	Atlanta-Sandy Springs-Roswell, GA
15005	Kalawao	HI	27980	Kahului-Wailuku, HI
17053	Ford	IL	16580	Champaign-Urbana, IL
17127	Massac	IL	37140	Paducah, KY-IL
18159	Tipton	IN	26900	Indianapolis-Carmel-Greenwood, IN
18179	Wells	IN	23060	Fort Wayne, IN
20021	Cherokee	KS	27900	Joplin, MO-KS
21007	Ballard	KY	37140	Paducah, KY-IL
21039	Carlisle	KY	37140	Paducah, KY-IL
21127	Lawrence	KY	26580	Huntington-Ashland, WV-KY-OH
21139	Livingston	KY	37140	Paducah, KY-IL
21145	McCracken	KY	37140	Paducah, KY-IL
21179	Nelson	KY	31140	Louisville/Jefferson County, KY-IN
22053	Jefferson Davis	LA	29340	Lake Charles, LA
22083	Richland	LA	33740	Monroe, LA
26015	Barry	MI	24340	Grand Rapids-Wyoming-Kentwood, MI
26019	Benzie	MI	45900	Traverse City, MI
26055	Grand Traverse	MI	45900	Traverse City, MI
26079	Kalkaska	MI	45900	Traverse City, MI
26089	Leelanau	MI	45900	Traverse City, MI
27133	Rock	MN	43620	Sioux Falls, SD-MN
28009	Benton	MS	32820	Memphis, TN-MS-AR
28123	Scott	MS	27140	Jackson, MS
30007	Broadwater	MT	25740	Helena, MT
30031	Gallatin	MT	14580	Bozeman, MT
30043	Jefferson	MT	25740	Helena, MT

FIPS County Code	County	State	CBSA	CBSA Name
30049	Lewis And Clark	MT	25740	Helena, MT
30061	Mineral	MT	33540	Missoula, MT
32019	Lyon	NV	39900	Reno, NV
37125	Moore	NC	38240	Pinehurst-Southern Pines, NC
38049	McHenry	ND	33500	Minot, ND
38075	Renville	ND	33500	Minot, ND
38101	Ward	ND	33500	Minot, ND
39007	Ashtabula	OH	17410	Cleveland, OH
39043	Erie	OH	41780	Sandusky, OH
41013	Crook	OR	13460	Bend, OR
41031	Jefferson	OR	13460	Bend, OR
42073	Lawrence	PA	38300	Pittsburgh, PA
45087	Union	SC	43900	Spartanburg, SC
46033	Custer	SD	39660	Rapid City, SD
47081	Hickman	TN	34980	Nashville-Davidson--Murfreesboro--Franklin, TN
48007	Aransas	TX	18580	Corpus Christi, TX
48035	Bosque	TX	47380	Waco, TX
48079	Cochran	TX	31180	Lubbock, TX
48169	Garza	TX	31180	Lubbock, TX
48219	Hockley	TX	31180	Lubbock, TX
48323	Maverick	TX	20580	Eagle Pass, TX
48407	San Jacinto	TX	26420	Houston-Pasadena-The Woodlands, TX
51063	Floyd	VA	13980	Blacksburg-Christiansburg-Radford, VA
51181	Surry	VA	47260	Virginia Beach-Chesapeake-Norfolk, VA-NC
55123	Vernon	WI	29100	La Crosse-Onalaska, WI-MN

c. Urban Counties Moving to a Different Urban CBSA (Page 49)

CMS says that several urban counties would shift from one urban CBSA to another urban CBSA.

The table below lists the urban counties that will move from one urban CBSA to another urban CBSA under the new OMB delineations.

Counties That Will Change to a Different CBSA

FIPS County Code	County Name	State	Current CBSA	CBSA
06039	Madera	CA	31460	23420
11001	The District	DC	47894	47764
12053	Hernando	FL	45300	45294
12057	Hillsborough	FL	45300	45294
12101	Pasco	FL	45300	45294
12103	Pinellas	FL	45300	41304

FIPS County Code	County Name	State	Current CBSA	CBSA
12119	Sumter	FL	45540	48680
13013	Barrow	GA	12060	12054
13015	Bartow	GA	12060	31924
13035	Butts	GA	12060	12054
13045	Carroll	GA	12060	12054
13057	Cherokee	GA	12060	31924
13063	Clayton	GA	12060	12054
13067	Cobb	GA	12060	31924
13077	Coweta	GA	12060	12054
13085	Dawson	GA	12060	12054
13089	De Kalb	GA	12060	12054
13097	Douglas	GA	12060	12054
13113	Fayette	GA	12060	12054
13117	Forsyth	GA	12060	12054
13121	Fulton	GA	12060	12054
13135	Gwinnett	GA	12060	12054
13143	Haralson	GA	12060	31924
13149	Heard	GA	12060	12054
13151	Henry	GA	12060	12054
13159	Jasper	GA	12060	12054
13199	Meriwether	GA	12060	12054
13211	Morgan	GA	12060	12054
13217	Newton	GA	12060	12054
13223	Paulding	GA	12060	31924
13227	Pickens	GA	12060	12054
13231	Pike	GA	12060	12054
13247	Rockdale	GA	12060	12054
13255	Spalding	GA	12060	12054
13297	Walton	GA	12060	12054
18073	Jasper	IN	23844	29414
18089	Lake	IN	23844	29414
18111	Newton	IN	23844	29414
18127	Porter	IN	23844	29414
21163	Meade	KY	21060	31140
22103	St. Tammany	LA	35380	43640
24009	Calvert	MD	47894	30500
24017	Charles	MD	47894	47764
24033	Prince Georges	MD	47894	47764
24037	St. Marys	MD	15680	30500
25015	Hampshire	MA	44140	11200
34009	Cape May	NJ	36140	12100
34023	Middlesex	NJ	35154	29484

FIPS County Code	County Name	State	Current CBSA	CBSA
34025	Monmouth	NJ	35154	29484
34029	Ocean	NJ	35154	29484
34035	Somerset	NJ	35154	29484
36027	Dutchess	NY	39100	28880
36071	Orange	NY	39100	28880
37019	Brunswick	NC	34820	48900
39035	Cuyahoga	OH	17460	17410
39055	Geauga	OH	17460	17410
39085	Lake	OH	17460	17410
39093	Lorain	OH	17460	17410
39103	Medina	OH	17460	17410
39123	Ottawa	OH	45780	41780
47057	Grainger	TN	34100	28940
51013	Arlington	VA	47894	11694
51043	Clarke	VA	47894	11694
51047	Culpeper	VA	47894	11694
51059	Fairfax	VA	47894	11694
51061	Fauquier	VA	47894	11694
51107	Loudoun	VA	47894	11694
51153	Prince William	VA	47894	11694
51157	Rappahannock	VA	47894	11694
51177	Spotsylvania	VA	47894	11694
51179	Stafford	VA	47894	11694
51187	Warren	VA	47894	11694
51510	Alexandria City	VA	47894	11694
51600	Fairfax City	VA	47894	11694
51610	Falls Church City	VA	47894	11694
51630	Fredericksburg City	VA	47894	11694
51683	Manassas City	VA	47894	11694
51685	Manassas Park City	VA	47894	11694
53061	Snohomish	WA	42644	21794
54037	Jefferson	WV	47894	11694
55059	Kenosha	WI	29404	28450

d. The table below sets forth a list of CBSAs where there would be a change in CBSA name and/or number. (Page 51)

Urban CBSAs With Change to Name and/or Number

Current CBSA	Current CBSA Name	New CBSA	CBSA Name
10540	Albany-Lebanon, OR	10540	Albany, OR
12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs-Roswell, GA

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Current CBSA	Current CBSA Name	New CBSA	CBSA Name
12060	Atlanta-Sandy Springs-Alpharetta, GA	31924	Marietta, GA
12420	Austin-Round Rock-Georgetown, TX	12420	Austin-Round Rock-San Marcos, TX
12540	Bakersfield, CA	12540	Bakersfield-Delano, CA
13820	Birmingham-Hoover, AL	13820	Birmingham, AL
13980	Blacksburg-Christiansburg, VA	13980	Blacksburg-Christiansburg-Radford, VA
14860	Bridgeport-Stamford-Norwalk, CT	14860	Bridgeport-Stamford-Danbury, CT
15260	Brunswick, GA	15260	Brunswick-St. Simons, GA
15680	California-Lexington Park, MD	30500	Lexington Park, MD
16540	Chambersburg-Waynesboro, PA	16540	Chambersburg, PA
16984	Chicago-Naperville-Evanston, IL	16984	Chicago-Naperville-Schaumburg, IL
17460	Cleveland-Elyria, OH	17410	Cleveland, OH
19430	Dayton-Kettering, OH	19430	Dayton-Kettering-Beavercreek, OH
19740	Denver-Aurora-Lakewood, CO	19740	Denver-Aurora-Centennial, CO
21060	Elizabethtown-Fort Knox, KY	21060	Elizabethtown, KY
21060	Elizabethtown-Fort Knox, KY	31140	Louisville/Jefferson County, KY-IN
21780	Evansville, IN-KY	21780	Evansville, IN
21820	Fairbanks, AK	21820	Fairbanks-College, AK
22660	Fort Collins, CO	22660	Fort Collins-Loveland, CO
23224	Frederick-Gaithersburg-Rockville, MD	23224	Frederick-Gaithersburg-Bethesda, MD
23844	Gary, IN	29414	Lake County-Porter County-Jasper County, IN
24340	Grand Rapids-Kentwood, MI	24340	Grand Rapids-Wyoming-Kentwood, MI
24860	Greenville-Anderson, SC	24860	Greenville-Anderson-Greer, SC
25540	Hartford-East Hartford-Middletown, CT	25540	Hartford-West Hartford-East Hartford, CT
25940	Hilton Head Island-Bluffton, SC	25940	Hilton Head Island-Bluffton-Port Royal, SC
26380	Houma-Thibodaux, LA	26380	Houma-Bayou Cane-Thibodaux, LA
26420	Houston-The Woodlands-Sugar Land, TX	26420	Houston-Pasadena-The Woodlands, TX
26900	Indianapolis-Carmel-Anderson, IN	26900	Indianapolis-Carmel-Greenwood, IN
27900	Joplin, MO	27900	Joplin, MO-KS
27980	Kahului-Wailuku-Lahaina, HI	27980	Kahului-Wailuku, HI
29404	Lake County-Kenosha County, IL-WI	28450	Kenosha, WI
29404	Lake County-Kenosha County, IL-WI	29404	Lake County, IL
29820	Las Vegas-Henderson-Paradise, NV	29820	Las Vegas-Henderson-North Las Vegas, NV
31020	Longview, WA	31020	Longview-Kelso, WA
31460	Madera, CA	23420	Fresno, CA
34100	Morristown, TN	28940	Knoxville, TN
34740	Muskegon, MI	34740	Muskegon-Norton Shores, MI
34820	Myrtle Beach-Conway-North Myrtle Beach, SC-NC	34820	Myrtle Beach-Conway-North Myrtle Beach, SC
34820	Myrtle Beach-Conway-North Myrtle Beach, SC-NC	48900	Wilmington, NC
35084	Newark, NJ-PA	35084	Newark, NJ
35154	New Brunswick-Lakewood, NJ	29484	Lakewood-New Brunswick, NJ
35300	New Haven-Milford, CT	35300	New Haven, CT
35380	New Orleans-Metairie, LA	43640	Slidell-Mandeville-Covington, LA
35840	North Port-Sarasota-Bradenton, FL	35840	North Port-Bradenton-Sarasota, FL

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Current CBSA	Current CBSA Name	New CBSA	CBSA Name
35980	Norwich-New London, CT	35980	Norwich-New London-Willimantic, CT
36084	Oakland-Berkeley-Livermore, CA	36084	Oakland-Fremont-Berkeley, CA
36140	Ocean City, NJ	12100	Atlantic City-Hammonton, NJ
36260	Ogden-Clearfield, UT	36260	Ogden, UT
36540	Omaha-Council Bluffs, NE-IA	36540	Omaha, NE-IA
37460	Panama City, FL	37460	Panama City-Panama City Beach, FL
39100	Poughkeepsie-Newburgh-Middletown, NY	28880	Kiryas Joel-Poughkeepsie-Newburgh, NY
39340	Provo-Orem, UT	39340	Provo-Orem-Lehi, UT
39540	Racine, WI	39540	Racine-Mount Pleasant, WI
41540	Salisbury, MD-DE	41540	Salisbury, MD
41620	Salt Lake City, UT	41620	Salt Lake City-Murray, UT
41900	San Germán, PR	32420	Mayagüez, PR
42644	Seattle-Bellevue-Kent, WA	21794	Everett, WA
42680	Sebastian-Vero Beach, FL	42680	Sebastian-Vero Beach-West Vero Corridor, FL
42700	Sebring-Avon Park, FL	42700	Sebring, FL
43620	Sioux Falls, SD	43620	Sioux Falls, SD-MN
44140	Springfield, MA	11200	Amherst Town-Northampton, MA
44420	Staunton, VA	44420	Staunton-Stuarts Draft, VA
44700	Stockton, CA	44700	Stockton-Lodi, CA
45300	Tampa-St. Petersburg-Clearwater, FL	41304	St. Petersburg-Clearwater-Largo, FL
45300	Tampa-St. Petersburg-Clearwater, FL	45294	Tampa, FL
45540	The Villages, FL	48680	Wildwood-The Villages, FL
45780	Toledo, OH	41780	Sandusky, OH
47220	Vineland-Bridgeton, NJ	47220	Vineland, NJ
47260	Virginia Beach-Norfolk-Newport News, VA-NC	47260	Virginia Beach-Chesapeake-Norfolk, VA-NC
47894	Washington-Arlington-Alexandria, DC-VA-MD-WV	11694	Arlington-Alexandria-Reston, VA-WV
47894	Washington-Arlington-Alexandria, DC-VA-MD-WV	30500	Lexington Park, MD
47894	Washington-Arlington-Alexandria, DC-VA-MD-WV	47764	Washington, DC-MD
48140	Wausau-Weston, WI	48140	Wausau, WI
48300	Wenatchee, WA	48300	Wenatchee-East Wenatchee, WA
48424	West Palm Beach-Boca Raton-Boynton Beach, FL	48424	West Palm Beach-Boca Raton-Delray Beach, FL
49340	Worcester, MA-CT	49340	Worcester, MA
49660	Youngstown-Warren-Boardman, OH- PA	49660	Youngstown-Warren, OH

e. Change to County-Equivalents in the State of Connecticut (Page 53)

OMB Bulletin No. 23-01, replaced the 8 counties in Connecticut with 9 new “Planning Regions.” Planning regions now serve as county-equivalents within the CBSA system. They are as follows;

Connecticut Counties to Planning Regions

FIPS	Current County	Current CBSA	FIPS	P Planning Region Area (County Equivalent)	CBSA
9003	Hartford	25540	9110	Capitol	25540
9015	Windham	49340	9150	Northeastern Connecticut	7
9005	Litchfield	7	9160	Northwest Hills	7
9001	Fairfield	14860	9190	Western Connecticut	14860
9011	New London	35980	9180	Southeastern Connecticut	35980
9013	Tolland	25540	9110	Capitol	25540
9009	New Haven	35300	9170	South Central Connecticut	35300
9007	Middlesex	25540	9130	Lower Connecticut River Valley	25540

Comment

Note the above table only contains 8 areas and not 9, just as reported in the proposed rule.

Transition Policy for FY 2025 Wage Index Changes (Page 53)

CMS is finalizing a budget neutral three-year phase-out of the rural adjustment for existing FY 2024 rural IRFs that will become urban in FY 2025 and that experience a loss in payments due to changes from the new CBSA delineations. Accordingly, the incremental steps needed to reduce the impact of the loss of the FY 2024 rural adjustment of 14.9 percent will be phased out over FYs 2025, 2026, and 2027. This policy will allow rural IRFs which would be classified as urban in FY 2025 to receive two-thirds of the 2024 rural adjustment for FY 2025. For FY 2026, these IRFs will receive the full FY 2026 wage index and one-third of the FY 2024 rural adjustment. For FY 2027, these IRFs will receive the full FY 2027 wage index without a rural adjustment.

CMS is not implementing a transition policy for urban facilities that become rural in FY 2025 because these IRFs will receive the full rural adjustment of 14.9 percent beginning October 1, 2024.

Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP) (Page 73)

The IRF QRP currently has 18 adopted measures, which are listed in the table below. CMS did not propose to adopt any new measures for the IRF QRP.

Quality Measures Currently Adopted for the IRF QRP

Short Name	Measure Name & Data Source
Inpatient Rehabilitation Facility – Patient Assessment Instrument (IRF-PAI) Assessment-Based Measures	
Pressure Ulcer/Injury	Changes in Skin Integrity Post-Acute Care: Pressure Ulcer/Injury
Application of Falls	Application of Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay)
Discharge Mobility Score	IRF Functional Outcome Measure: Discharge Mobility Score for Medical Rehabilitation Patients
Discharge Self-Care Score	IRF Functional Outcome Measure: Discharge Self-Care Score for Medical Rehabilitation Patients
DRR	Drug Regimen Review Conducted with Follow-Up for Identified Issues– Post Acute Care (PAC) Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP)
TOH-Provider	Transfer of Health Information to the Provider–Post-Acute Care (PAC)
TOH-Patient	Transfer of Health Information to the Patient–Post-Acute Care (PAC)

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Short Name	Measure Name & Data Source
DC Function	Discharge Function Score
Patient/Resident COVID-19 Vaccine	COVID-19 Vaccine: Percent of Patients/Residents Who Are Up to Date
National Healthcare Safety Network	
CAUTI	National Healthcare Safety Network (NHSN) Catheter- Associated Urinary Tract Infection Outcome Measure
CDI	National Healthcare Safety Network (NHSN) Facility-wide Inpatient Hospital-onset <i>Clostridium difficile</i> Infection (CDI) Outcome Measure
HCP Influenza Vaccine	Influenza Vaccination Coverage among Healthcare Personnel
HCP COVID-19 Vaccine	COVID-19 Vaccination Coverage among Healthcare Personnel (HCP)
Claims-Based	
MSPB IRF	Medicare Spending Per Beneficiary (MSPB)–Post Acute Care (PAC) IRF QRP
DTC	Discharge to Community–PAC IRF QRP
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

Note: The table only contains 17 items not 18 as cited.

CMS will require IRFs to report four new items to the IRF-Patient Assessment Instrument (PAI) and modify one item on the IRF-PAI social determinants of health (SDOH) category under the IRF QRP: one item for Living Situation; two items for Food; and one item for Utilities.

- Living Situation (Page 81)

CMS is adopting the Living Situation item as a new standardized patient assessment data element under the social determinants of health (SDOH) category. This proposed Living Situation item is based on the Living Situation item currently collected in the AHC HRSN Screening Tool, and was adapted from the Protocol for Responding to and Assessing Patients' Assets, Risks, and Experiences (PRAPARE) tool. The Living Situation item asks, "What is your living situation today?" The response options are: (1) I have a steady place to live; (2) I have a place to live today, but I am worried about losing it in the future; (3) I do not have a steady place to live; (7) Patient declines to respond; and (8) Patient unable to respond.

Note: The numbering above is from the final rule.

A draft of the Living Situation item to be adopted can be found in the Downloads section of the IRF-PAI and IRF-PAI Manual webpage at: <https://www.cms.gov/medicare/quality/inpatient-rehabilitation-facility/irf-pai-and-irf-grp-manual>.

- Food (Page 83)

The first Food item states, "Within the past 12 months, you worried that your food would run out before you got money to buy more." The second Food item states, "Within the past 12 months, the food you bought just didn't last and you didn't have money to get more."

CMS proposes the same response options for both items: (1) Often true; (2) Sometimes true; (3) Never True; (7) Patient declines to respond; and (8) Patient unable to respond. A draft of the Food items to be adopted as standardized patient assessment data elements under the SDOH category can be found in the Downloads section of the IRF-PAI and IRF-PAI Manual webpage at: <https://www.cms.gov/medicare/quality/inpatient-rehabilitation-facility/irf-pai-and-irf-grpmanual>.

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- Utilities (Page 85)

The Utilities item asks, "In the past 12 months, has the electric, gas, oil, or water company threatened to shut off services in your home?" The response options are: (1) Yes; (2) No; (3) Already shut off; (7) Patient declines to respond; and (8) Patient unable to respond. A draft of the proposed Utilities item to be adopted can be found in the Downloads section of the IRF-PAI and IRF-PAI Manual webpage at: <https://www.cms.gov/medicare/quality/inpatient-rehabilitation-facility/irf-pai-and-irf-grpmanual>.

- Modification of the Transportation Item Beginning with the FY 2028 IRF QRP (Page 109)

CMS proposed modification of the Transportation item would use a defined 12-month look back period, while the current Transportation item uses a look back period of six to 12 months.

CMS is finalizing its proposal to modify the current Transportation item previously adopted as a standardized patient assessment data element under the SDOH category beginning with the FY 2028 IRF QRP.

- Form, Manner and Reporting (Page 123)

CMS will require that IRFs be required to report these new items and the transportation item using the IRF-PAI beginning with patients admitted on October 1, 2026, for purposes of the FY 2028 IRF QRP. Starting in CY 2027, IRFs would be required to submit data for the entire calendar year with the FY 2029 IRF QRP.

- Removal of the Admission Class Item From the IRF-PAI Beginning October 1, 2026. (Page 131)

CMS will remove Item 14 entirely from the IRF-PAI, beginning October 1, 2026. IRFs will no longer be required to collect and submit data on this beginning with patients admitted on October 1, 2024.

CMS says this item is currently not used in the calculation of quality measures already adopted in the IRF QRP. It is also not used for previously established purposes unrelated to the IRF QRP, such as payment, survey, or care planning.

Final Comments

Once again, be careful with CMS' numbers. CMS says the market-basket increase of 3.5 percent reduced by the mandated productivity factor of 0.5 percent results in an increase in payments of 3.0 percent. CMS is mostly silent about the impact of increasing the outlier threshold to reduce payments by an estimated 0.2 percent.

There are several errors in the rule, especially in a number of tables.

Again, CMS has failed to adopt a table of contents to this rule. It's obvious that the different components within CMS do not appear to talk to each other.

Many commenters argue for CMS to adopt some form of adjustment for errors in forecasting essential and material factors such as market basket increases and outlier projections. CMS' excuses are illogical for not doing such.

This rule does not have any changes to existing regulation language.

This analysis is longer than usual inasmuch as we have reported on the geographic wage index impacts.

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