



WASHINGTON

perspectives

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

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CMS Finalizes Inpatient Rehabilitation Facility FY 2021 PPS Update



The Centers for Medicare and Medicaid Services (CMS) have released a final rule to update the inpatient rehabilitation facility Prospective Payment System (IRF PPS) payment amounts for FY 2021.

The rule includes the classification and weighting factors for the IRF PPS's case-mix groups (CMGs), and the adoption of a recent revised Office of Management and Budget (OMB) statistical area delineations. CMS will, as proposed, apply a 5.0 percent cap on any wage index decrease in FY 2021 compared to FY 2020 in a budget neutral manner.

There are no proposals or updates to the IRF Quality Reporting Program (QRP).

The 126-page document is scheduled for publication in the ***Federal Register*** on August 10. A copy is currently available at:

<https://s3.amazonaws.com/public-inspection.federalregister.gov/2020-17209.pdf>. This link will change upon publication.

Comment

CMS says that the overall economic impact of this proposed rule will result in an estimated \$260 million increase in FY 2021 IRF PPS payments, down from \$270 million in the proposed version.

FY 2021 Market Basket Update and Productivity Adjustment

CMS is finalizing a market basket increase factor for FY 2021 of **2.4 percent**. CMS will be applying a 0.0 percentage point MFP adjustment to the IRF market basket increase factor. Therefore, the current estimate of the FY 2021 IRF increase factor is equal to 2.4 percent.

The overall proposed increase was 2.5 percent (2.9 market basket minus a multifactor productivity adjustment of 0.4 percent).

Update to the Case-Mix Group (CMG) Relative Weights and Average Length of Stay Values for FY 2021

The table below contains the final CMGs, the comorbidity tiers, the corresponding relative weights, and the average length of stay values for each CMG and tier for FY 2021. The average length of stay for

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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.

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

CMG	CMG Description (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 M >=72.50	1.0314	0.8818	0.8182	0.7830	10	10	10	9
0102	Stroke M >=63.50 and M <72.50	1.3174	1.1262	1.0451	1.0001	13	13	12	11
0103	Stroke M >=50.50 and M <63.50	1.6846	1.4401	1.3363	1.2789	15	16	15	14
0104	Stroke M >=41.50 and M <50.50	2.1886	1.8710	1.7361	1.6615	19	19	18	18
0105	Stroke M <41.50 and A >=84.50	2.4829	2.1226	1.9696	1.8850	23	23	21	20
0106	Stroke M <41.50 and A <84.50	2.8525	2.4385	2.2628	2.1655	26	24	23	23
0201	Traumatic brain injury M >=73.50	1.1495	0.9399	0.8443	0.7891	10	11	10	10
0202	Traumatic brain injury M =61.50 and M <73.50	1.4440	1.1807	1.0606	0.9913	12	14	12	12
0203	Traumatic brain injury M =49.50 and M <61.50	1.7411	1.4235	1.2787	1.1952	15	15	14	14
0204	Traumatic brain injury M =35.50 and M <49.50	2.1669	1.7718	1.5915	1.4876	20	19	17	16
0205	Traumatic brain injury M <35.50	2.7369	2.2377	2.0101	1.8788	32	24	21	18
0301	Non-traumatic brain injury M >=65.50	1.2263	0.9941	0.9185	0.8514	11	11	10	10
0302	Non-traumatic brain injury M >=52.50 and M <65.50	1.5711	1.2737	1.1768	1.0908	14	14	13	12
0303	Non-traumatic brain injury M >=42.50 and M <52.50	1.8808	1.5247	1.4087	1.3058	16	16	15	14
0304	Non-traumatic brain injury M <42.50 and A >=78.50	2.1101	1.7105	1.5805	1.4650	19	18	16	16
0305	Non-traumatic brain injury M	2.3049	1.8685	1.7264	1.6002	21	20	17	17

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CMG	CMG Description (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
	<42.50 and A <78.50								
0401	Traumatic spinal cord injury M >=56.50	1.3684	1.1612	1.0460	0.9718	12	12	12	11
0402	Traumatic spinal cord injury M >=47.50 and M <56.50	1.7807	1.5110	1.3611	1.2646	16	16	14	15
0403	Traumatic spinal cord injury M >=41.50 and M <47.50	2.1371	1.8135	1.6336	1.5177	20	20	18	17
0404	Traumatic spinal cord injury M <31.50 and A <61.50	3.6185	3.0706	2.7660	2.5698	29	35	32	26
0405	Traumatic spinal cord injury M >=31.50 and M <41.50	2.7444	2.3288	2.0978	1.9490	25	26	22	21
0406	Traumatic spinal cord injury M >=24.50 and M <31.50 and A >=61.50	3.5969	3.0522	2.7494	2.5544	34	31	28	28
0407	Traumatic spinal cord injury M <24.50 and A >=61.50	4.1070	3.4850	3.1394	2.9166	46	36	32	32
0501	Non-traumatic spinal cord injury M >=60.50	1.3097	1.0178	0.9609	0.8875	13	12	11	10
0502	Non-traumatic spinal cord injury M >=53.50 and M <60.50	1.6273	1.2646	1.1939	1.1028	14	14	13	12
0503	Non-traumatic spinal cord injury M >=48.50 and M <53.50	1.8899	1.4687	1.3866	1.2807	16	16	15	14
0504	Non-traumatic spinal cord injury M >=39.50 and M <48.50	2.2506	1.7491	1.6513	1.5252	21	19	18	17
0505	Non-traumatic spinal cord injury M <39.50	2.9362	2.2819	2.1543	1.9899	28	24	22	21
0601	Neurological M >=64.50	1.3673	1.0293	0.9649	0.8770	12	11	10	10
0602	Neurological M	1.7016	1.2809	1.2008	1.0915	14	13	12	12

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CMG	CMG Description (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
	>=52.50 and M <64.50								
0603	Neurological M >=43.50 and M <52.50	2.0214	1.5216	1.4264	1.2965	16	15	15	14
0604	Neurological M <43.50	2.3456	1.7657	1.6552	1.5045	20	18	17	16
0701	Fracture of lower extremity M >=61.50	1.2473	1.0115	0.9585	0.8811	11	12	11	10
0702	Fracture of lower extremity M >=52.50 and M <61.50	1.5595	1.2647	1.1985	1.1016	14	14	13	12
0703	Fracture of lower extremity M >=41.50 and M <52.50	1.8956	1.5373	1.4568	1.3390	17	16	15	15
0704	Fracture of lower extremity M <41.50	2.1660	1.7566	1.6646	1.5300	19	18	17	17
0801	Replacement of lower-extremity joint M >=63.50	1.1268	0.9068	0.8121	0.7564	10	10	9	9
0802	Replacement of lower-extremity joint M >=57.50 and M <63.50	1.3248	1.0661	0.9548	0.8893	12	11	11	10
0803	Replacement of lower-extremity joint M >=51.50 and M <57.50	1.4799	1.1909	1.0666	0.9934	12	13	12	11
0804	Replacement of lower-extremity joint M >=42.50 and M <51.50	1.7056	1.3726	1.2293	1.1449	14	15	13	13
0805	Replacement of lower-extremity joint M <42.50	1.9874	1.5994	1.4324	1.3341	17	17	15	14
0901	Other orthopedic M >=63.50	1.2111	0.9651	0.9133	0.8273	11	11	10	10
0902	Other orthopedic M >=51.50 and M <63.50	1.5078	1.2015	1.1371	1.0301	13	13	12	12
0903	Other orthopedic M >=44.50 and M <51.50	1.7744	1.4139	1.3382	1.2122	15	15	14	14
0904	Other orthopedic M <44.5	2.0373	1.6235	1.5365	1.3918	17	17	16	15

CMG	CMG Description (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
1001	Amputation lower extremity M >=64.50	1.2960	1.0863	0.9748	0.9004	12	13	11	11
1002	Amputation lower extremity M >=55.50 and M <64.50	1.6010	1.3419	1.2042	1.1123	14	15	13	13
1003	Amputation lower extremity M >=47.50 and M <55.50	1.8708	1.5681	1.4072	1.2997	16	17	15	14
1004	Amputation lower extremity M <47.50	2.2049	1.8481	1.6585	1.5318	18	19	17	16
1101	Amputation non-lower extremity M >=58.50	1.2999	1.1583	1.0117	0.9810	12	11	11	13
1102	Amputation non-lower extremity M >=52.50 and M <58.50	1.7367	1.5476	1.3517	1.3107	14	13	14	14
1103	Amputation non-lower extremity M <52.50	1.9515	1.7390	1.5188	1.4728	17	13	15	14
1201	Osteoarthritis M >=61.50	1.4251	0.9495	0.9495	0.8718	11	10	10	10
1202	Osteoarthritis M >=49.50 and M <61.50	1.7907	1.1930	1.1930	1.0954	13	14	13	12
1203	Osteoarthritis M <49.50 and A >=74.50	2.0815	1.3867	1.3867	1.2734	15	14	16	14
1204	Osteoarthritis M <49.50 and A <74.50	2.1877	1.4575	1.4575	1.3383	15	15	15	15
1301	Rheumatoid other arthritis M >=62.50	1.1277	0.9311	0.8839	0.7847	9	11	10	9
1302	Rheumatoid other arthritis M >=51.50 and M <62.50	1.5429	1.2740	1.2094	1.0737	12	13	13	12
1303	Rheumatoid other arthritis M >=44.50 and M <51.50 and A >=64.50	1.7786	1.4686	1.3941	1.2377	14	15	14	14
1304	Rheumatoid other arthritis M <44.50 and A >=64.50	2.0617	1.7024	1.6161	1.4347	14	17	16	16
1305	Rheumatoid other arthritis M <51.50	2.0876	1.7237	1.6363	1.4527	15	16	16	16

CMG	CMG Description (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
	and A <64.50								
1401	Cardiac M >=68.50	1.1456	0.9392	0.8477	0.7585	10	10	10	9
1402	Cardiac M >=55.50 and M <68.50	1.4391	1.1799	1.0650	0.9529	13	13	11	11
1403	Cardiac M >=45.50 and M <55.50	1.7474	1.4326	1.2931	1.1570	15	15	13	13
1404	Cardiac M <45.50	2.0524	1.6827	1.5188	1.3590	18	17	16	14
1501	Pulmonary M >=68.50	1.2905	1.0335	0.9655	0.9262	11	11	10	10
1502	Pulmonary M >=56.50 and M <68.50	1.5913	1.2744	1.1906	1.1421	13	13	12	12
1503	Pulmonary M >=45.50 and M <56.50	1.8476	1.4796	1.3823	1.3261	16	14	13	13
1504	Pulmonary M <45.50	2.1421	1.7154	1.6027	1.5375	22	16	15	14
1601	Pain syndrome M >=65.50	0.9889	0.9889	0.8919	0.8028	9	10	11	9
1602	Pain syndrome M >=58.50 and M <65.50	1.1078	1.1078	0.9991	0.8992	10	11	11	11
1603	Pain syndrome M >=43.50 and M <58.50	1.3538	1.3538	1.2209	1.0989	12	14	13	13
1604	Pain syndrome M <43.50	1.7201	1.7201	1.5513	1.3963	13	15	17	15
1701	Major multiple trauma without brain or spinal cord injury M >=57.50	1.3910	1.0912	0.9919	0.9032	12	13	11	11
1702	Major multiple trauma without brain or spinal cord injury M >=50.50 and M <57.50	1.6988	1.3328	1.2115	1.1031	15	14	13	13
1703	Major multiple trauma without brain or spinal cord injury M >=41.50 and M <50.50	2.0140	1.5799	1.4362	1.3077	18	16	15	15
1704	Major multiple trauma without brain or spinal cord injury M >=36.50 and M <41.50	2.2279	1.7478	1.5888	1.4466	17	19	17	16
1705	Major multiple trauma without brain or spinal cord injury	2.4447	1.9179	1.7434	1.5873	23	20	18	17

CMG	CMG Description (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
	M <36.50								
1801	Major multiple trauma with brain or spinal cord injury M >=67.50	1.2381	0.9821	0.8820	0.8180	14	13	10	10
1802	Major multiple trauma with brain or spinal cord injury M >=55.50 and M <67.50	1.5767	1.2506	1.1232	1.0418	13	15	12	12
1803	Major multiple trauma with brain or spinal cord injury M >=45.50 and M <55.50	1.9345	1.5344	1.3781	1.2782	17	17	15	14
1804	Major multiple trauma with brain or spinal cord injury M >=40.50 and M <45.50	2.2183	1.7596	1.5803	1.4657	22	19	17	16
1805	Major multiple trauma with brain or spinal cord injury M >=30.50 and M <40.50	2.6487	2.1010	1.8869	1.7501	28	23	20	19
1806	Major multiple trauma with brain or spinal cord injury M <30.50	3.4119	2.7063	2.4305	2.2543	37	29	22	25
1901	Guillain-Barré M >=66.50	1.2031	0.9356	0.9226	0.8738	14	12	13	10
1902	Guillain-Barré M >=51.50 and M <66.50	1.6292	1.2670	1.2493	1.1832	18	14	14	14
1903	Guillain-Barré M >=38.50 and M <51.50	2.5939	2.0172	1.9890	1.8838	25	21	21	21
1904	Guillain-Barré M <38.50	3.8189	2.9699	2.9284	2.7735	44	31	29	29
2001	Miscellaneous M >=66.50	1.2118	0.9833	0.9005	0.8282	11	11	10	9
2002	Miscellaneous M >=55.50 and M <66.50	1.4899	1.2090	1.1072	1.0182	13	13	12	11
2003	Miscellaneous M >=46.50 and M <55.50	1.7634	1.4309	1.3105	1.2052	15	15	14	13
2004	Miscellaneous M								

CMG	CMG Description (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
	<46.50 and A >=77.50	1.9847	1.6104	1.4749	1.3564	18	17	15	15
2005	Miscellaneous M <46.50 and A <77.50	2.1338	1.7315	1.5858	1.4583	19	18	16	15
2101	Burns M >=52.50	1.8033	1.3711	1.1272	1.1272	17	13	13	14
2102	Burns M <52.50	2.4055	1.8289	1.5036	1.5036	20	21	15	15
5001	Short-stay cases, length of stay is 3 days or fewer				0.1643				2
5101	Expired, orthopedic, length of stay is 13 days or fewer				0.7262				8
5102	Expired, orthopedic, length of stay is 14 days or more				1.8015				19
5103	Expired, not orthopedic, length of stay is 15 days or fewer				0.8454				8
5104	Expired, not orthopedic, length of stay is 16 days or more				2.0896				20

Description of the IRF Standard Payment Conversion Factor and Payment Rate for FY 2021

Calculations to Determine the FY 2021 Standard Payment Conversion Factor

Explanation for Adjustment	Calculations
Standard Payment Conversion Factor for FY 2020	\$16,489
Market Basket Increase Factor for FY 2021 (2.4 percent), reduced by 0.0 percentage point for the MPF	X 1.024
Budget Neutrality Factor for the Updates to the Wage Index and Labor-Related Share	x 1.0013
Budget Neutrality Factor for the Revisions to the CMG Relative Weights	x 0.9970
FY 2020 Standard Payment Conversion Factor	= \$16,856

The CMG relative weights (shown above) are multiplied by the FY 2021 standard payment conversion factor (\$16,856), resulting in unadjusted IRF prospective payment rates for FY 2021 as shown below.

FY 2021 Payment Rates

CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
0101	\$ 17,385.28	\$ 14,863.62	\$ 13,791.58	\$ 13,198.25
0102	\$ 22,206.09	\$ 18,983.23	\$ 17,616.21	\$ 16,857.69
0103	\$ 28,395.62	\$ 24,274.33	\$ 22,524.67	\$ 21,557.14

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CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
0104	\$ 36,891.04	\$ 31,537.58	\$ 29,263.70	\$ 28,006.24
0105	\$ 41,851.76	\$ 35,778.55	\$ 33,199.58	\$ 31,773.56
0106	\$ 48,081.74	\$ 41,103.36	\$ 38,141.76	\$ 36,501.67
0201	\$ 19,375.97	\$ 15,842.95	\$ 14,231.52	\$ 13,301.07
0202	\$ 24,340.06	\$ 19,901.88	\$ 17,877.47	\$ 16,709.35
0203	\$ 29,347.98	\$ 23,994.52	\$ 21,553.77	\$ 20,146.29
0204	\$ 36,525.27	\$ 29,865.46	\$ 26,826.32	\$ 25,074.99
0205	\$ 46,133.19	\$ 37,718.67	\$ 33,882.25	\$ 31,669.05
0301	\$ 20,670.51	\$ 16,756.55	\$ 15,482.24	\$ 14,351.20
0302	\$ 26,482.46	\$ 21,469.49	\$ 19,836.14	\$ 18,386.52
0303	\$ 31,702.76	\$ 25,700.34	\$ 23,745.05	\$ 22,010.56
0304	\$ 35,567.85	\$ 28,832.19	\$ 26,640.91	\$ 24,694.04
0305	\$ 38,851.39	\$ 31,495.44	\$ 29,100.20	\$ 26,972.97
0401	\$ 23,065.75	\$ 19,573.19	\$ 17,631.38	\$ 16,380.66
0402	\$ 30,015.48	\$ 25,469.42	\$ 22,942.70	\$ 21,316.10
0403	\$ 36,022.96	\$ 30,568.36	\$ 27,535.96	\$ 25,582.35
0404	\$ 60,993.44	\$ 51,758.03	\$ 46,623.70	\$ 43,316.55
0405	\$ 46,259.61	\$ 39,254.25	\$ 35,360.52	\$ 32,852.34
0406	\$ 60,629.35	\$ 51,447.88	\$ 46,343.89	\$ 43,056.97
0407	\$ 69,227.59	\$ 58,743.16	\$ 52,917.73	\$ 49,162.21
0501	\$ 22,076.30	\$ 17,156.04	\$ 16,196.93	\$ 14,959.70
0502	\$ 27,429.77	\$ 21,316.10	\$ 20,124.38	\$ 18,588.80
0503	\$ 31,856.15	\$ 24,756.41	\$ 23,372.53	\$ 21,587.48
0504	\$ 37,936.11	\$ 29,482.83	\$ 27,834.31	\$ 25,708.77
0505	\$ 49,492.59	\$ 38,463.71	\$ 36,312.88	\$ 33,541.75
0601	\$ 23,047.21	\$ 17,349.88	\$ 16,264.35	\$ 14,782.71
0602	\$ 28,682.17	\$ 21,590.85	\$ 20,240.68	\$ 18,398.32
0603	\$ 34,072.72	\$ 25,648.09	\$ 24,043.40	\$ 21,853.80
0604	\$ 39,537.43	\$ 29,762.64	\$ 27,900.05	\$ 25,359.85
0701	\$ 21,024.49	\$ 17,049.84	\$ 16,156.48	\$ 14,851.82
0702	\$ 26,286.93	\$ 21,317.78	\$ 20,201.92	\$ 18,568.57
0703	\$ 31,952.23	\$ 25,912.73	\$ 24,555.82	\$ 22,570.18
0704	\$ 36,510.10	\$ 29,609.25	\$ 28,058.50	\$ 25,789.68
0801	\$ 18,993.34	\$ 15,285.02	\$ 13,688.76	\$ 12,749.88
0802	\$ 22,330.83	\$ 17,970.18	\$ 16,094.11	\$ 14,990.04
0803	\$ 24,945.19	\$ 20,073.81	\$ 17,978.61	\$ 16,744.75
0804	\$ 28,749.59	\$ 23,136.55	\$ 20,721.08	\$ 19,298.43
0805	\$ 33,499.61	\$ 26,959.49	\$ 24,144.53	\$ 22,487.59
0901	\$ 20,414.30	\$ 16,267.73	\$ 15,394.58	\$ 13,944.97
0902	\$ 25,415.48	\$ 20,252.48	\$ 19,166.96	\$ 17,363.37
0903	\$ 29,909.29	\$ 23,832.70	\$ 22,556.70	\$ 20,432.84
0904	\$ 34,340.73	\$ 27,365.72	\$ 25,899.24	\$ 23,460.18
1001	\$ 21,845.38	\$ 18,310.67	\$ 16,431.23	\$ 15,177.14
1002	\$ 26,986.46	\$ 22,619.07	\$ 20,298.00	\$ 18,748.93
1003	\$ 31,534.20	\$ 26,431.89	\$ 23,719.76	\$ 21,907.74
1004	\$ 37,165.79	\$ 31,151.57	\$ 27,955.68	\$ 25,820.02

CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
1101	\$ 21,911.11	\$ 19,524.30	\$ 17,053.22	\$ 16,535.74
1102	\$ 29,273.82	\$ 26,086.35	\$ 22,784.26	\$ 22,093.16
1103	\$ 32,894.48	\$ 29,312.58	\$ 25,600.89	\$ 24,825.52
1201	\$ 24,021.49	\$ 16,004.77	\$ 16,004.77	\$ 14,695.06
1202	\$ 30,184.04	\$ 20,109.21	\$ 20,109.21	\$ 18,464.06
1203	\$ 35,085.76	\$ 23,374.22	\$ 23,374.22	\$ 21,464.43
1204	\$ 36,875.87	\$ 24,567.62	\$ 24,567.62	\$ 22,558.38
1301	\$ 19,008.51	\$ 15,694.62	\$ 14,899.02	\$ 13,226.90
1302	\$ 26,007.12	\$ 21,474.54	\$ 20,385.65	\$ 18,098.29
1303	\$ 29,980.08	\$ 24,754.72	\$ 23,498.95	\$ 20,862.67
1304	\$ 34,752.02	\$ 28,695.65	\$ 27,240.98	\$ 24,183.30
1305	\$ 35,188.59	\$ 29,054.69	\$ 27,581.47	\$ 24,486.71
1401	\$ 19,310.23	\$ 15,831.16	\$ 14,288.83	\$ 12,785.28
1402	\$ 24,257.47	\$ 19,888.39	\$ 17,951.64	\$ 16,062.08
1403	\$ 29,454.17	\$ 24,147.91	\$ 21,796.49	\$ 19,502.39
1404	\$ 34,595.25	\$ 28,363.59	\$ 25,600.89	\$ 22,907.30
1501	\$ 21,752.67	\$ 17,420.68	\$ 16,274.47	\$ 15,612.03
1502	\$ 26,822.95	\$ 21,481.29	\$ 20,068.75	\$ 19,251.24
1503	\$ 31,143.15	\$ 24,940.14	\$ 23,300.05	\$ 22,352.74
1504	\$ 36,107.24	\$ 28,914.78	\$ 27,015.11	\$ 25,916.10
1601	\$ 16,668.90	\$ 16,668.90	\$ 15,033.87	\$ 13,532.00
1602	\$ 18,673.08	\$ 18,673.08	\$ 16,840.83	\$ 15,156.92
1603	\$ 22,819.65	\$ 22,819.65	\$ 20,579.49	\$ 18,523.06
1604	\$ 28,994.01	\$ 28,994.01	\$ 26,148.71	\$ 23,536.03
1701	\$ 23,446.70	\$ 18,393.27	\$ 16,719.47	\$ 15,224.34
1702	\$ 28,634.97	\$ 22,465.68	\$ 20,421.04	\$ 18,593.85
1703	\$ 33,947.98	\$ 26,630.79	\$ 24,208.59	\$ 22,042.59
1704	\$ 37,553.48	\$ 29,460.92	\$ 26,780.81	\$ 24,383.89
1705	\$ 41,207.86	\$ 32,328.12	\$ 29,386.75	\$ 26,755.53
1801	\$ 20,869.41	\$ 16,554.28	\$ 14,866.99	\$ 13,788.21
1802	\$ 26,576.86	\$ 21,080.11	\$ 18,932.66	\$ 17,560.58
1803	\$ 32,607.93	\$ 25,863.85	\$ 23,229.25	\$ 21,545.34
1804	\$ 37,391.66	\$ 29,659.82	\$ 26,637.54	\$ 24,705.84
1805	\$ 44,646.49	\$ 35,414.46	\$ 31,805.59	\$ 29,499.69
1806	\$ 57,510.99	\$ 45,617.39	\$ 40,968.51	\$ 37,998.48
1901	\$ 20,279.45	\$ 15,770.47	\$ 15,551.35	\$ 14,728.77
1902	\$ 27,461.80	\$ 21,356.55	\$ 21,058.20	\$ 19,944.02
1903	\$ 43,722.78	\$ 34,001.92	\$ 33,526.58	\$ 31,753.33
1904	\$ 64,371.38	\$ 50,060.63	\$ 49,361.11	\$ 46,750.12
2001	\$ 20,426.10	\$ 16,574.50	\$ 15,178.83	\$ 13,960.14
2002	\$ 25,113.75	\$ 20,378.90	\$ 18,662.96	\$ 17,162.78
2003	\$ 29,723.87	\$ 24,119.25	\$ 22,089.79	\$ 20,314.85
2004	\$ 33,454.10	\$ 27,144.90	\$ 24,860.91	\$ 22,863.48
2005	\$ 35,967.33	\$ 29,186.16	\$ 26,730.24	\$ 24,581.10
2101	\$ 30,396.42	\$ 23,111.26	\$ 19,000.08	\$ 19,000.08
2102	\$ 40,547.11	\$ 30,827.94	\$ 25,344.68	\$ 25,344.68

CMG	Payment Rate Tier 1	Payment Rate Tier 2	Payment Rate Tier 3	Payment Rate No Comorbidity
5001	\$ -	\$ -	\$ -	\$ 2,769.44
5101	\$ -	\$ -	\$ -	\$ 12,240.83
5102	\$ -	\$ -	\$ -	\$ 30,366.08
5103	\$ -	\$ -	\$ -	\$ 14,250.06
5104	\$ -	\$ -	\$ -	\$ 35,222.30

Labor-Related Share

CMS is changing the labor related share from 72.7 to **73.0** percent.

Wage Adjustment

The FY 2021 wage index tables based on the FY 2020 pre-reclassified, pre-floor FY 2020 IPPS wage index) are available on the CMS website at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/IRF-Rules-and-Related-Files.html>. Table A is for urban areas, and Table B is for rural areas.

The final FY 2021 budget-neutral wage adjustment factor is 1.0013.

CMS is adopting the updates to the OMB delineations announced in OMB Bulletin No. 18-04 effective beginning FY 2021. As the adoption of the new OMB delineations may have significant negative impacts on the wage index values for certain geographic areas, CMS will apply a 5.0 percent cap on any decrease in an IRF’s wage index from the IRF’s wage index from the prior FY. The adjustment is for only FY 2021.

The table below lists 34 urban counties that will become rural.

Counties that Will Transition from Urban to Rural Status

FIPS County Code	County/County Equivalent	State	Current CBSA	Current CBSA Name
01127	Walker	AL	13820	Birmingham-Hoover, AL
12045	Gulf	FL	37460	Panama City, FL
13007	Baker	GA	10500	Albany, GA
13235	Pulaski	GA	47580	Warner Robins, GA
15005	Kalawao	HI	27980	Kahului-Wailuku-Lahaina, HI
17039	De Witt	IL	14010	Bloomington, IL
17053	Ford	IL	16580	Champaign-Urbana, IL
18143	Scott	IN	31140	Louisville/Jefferson County, KY-IN
18179	Wells	IN	23060	Fort Wayne, IN
19149	Plymouth	IA	43580	Sioux City, IA-NE-SD
20095	Kingman	KS	48620	Wichita, KS
21223	Trimble	KY	31140	Louisville/Jefferson County, KY-IN
22119	Webster	LA	43340	Shreveport-Bossier City, LA
26015	Barry	MI	24340	Grand Rapids-Wyoming, MI
26159	Van Buren	MI	28020	Kalamazoo-Portage, MI
27143	Sibley	MN	33460	Minneapolis-St. Paul-Bloomington, MN-WI
28009	Benton	MS	32820	Memphis, TN-MS-AR
29119	Mc Donald	MO	22220	Fayetteville-Springdale-Rogers, AR-MO
30037	Golden Valley	MT	13740	Billings, MT

FIPS County Code	County/County Equivalent	State	Current CBSA	Current CBSA Name
31081	Hamilton	NE	24260	Grand Island, NE
38085	Sioux	ND	13900	Bismarck, ND
40079	Le Flore	OK	22900	Fort Smith, AR-OK
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
48221	Hood	TX	23104	Fort Worth-Arlington, TX
48351	Newton	TX	13140	Beaumont-Port Arthur, TX
48425	Somervell	TX	23104	Fort Worth-Arlington, TX
51029	Buckingham	VA	16820	Charlottesville, VA
51033	Caroline	VA	40060	Richmond, VA
51063	Floyd	VA	13980	Blacksburg-Christiansburg-Radford, VA
53013	Columbia	WA	47460	Walla Walla, WA
53051	Pend Oreille	WA	44060	Spokane-Spokane Valley, WA

The table below lists 47 rural counties that will become urban.

Counties that Will Transition from Rural to Urban Status

FIPS County Code	County/County Equivalent	State Name	New CBSA	Counties
01063	Greene	AL	46220	Tuscaloosa, AL
01129	Washington	AL	33660	Mobile, AL
05047	Franklin	AR	22900	Fort Smith, AR-OK
12075	Levy	FL	23540	Gainesville, FL
13259	Stewart	GA	17980	Columbus, GA-AL
13263	Talbot	GA	17980	Columbus, GA-AL
16077	Power	ID	38540	Pocatello, ID
17057	Fulton	IL	37900	Peoria, IL
17087	Johnson	IL	16060	Carbondale-Marion, IL
18047	Franklin	IN	17140	Cincinnati, OH-KY-IN
18121	Parke	IN	45460	Terre Haute, IN
18171	Warren	IN	29200	Lafayette-West Lafayette, IN
19015	Boone	IA	11180	Ames, IA
19099	Jasper	IA	19780	Des Moines-West Des Moines, IA
20061	Geary	KS	31740	Manhattan, KS
21043	Carter	KY	26580	Huntington-Ashland, WV-KY-OH
22007	Assumption	LA	12940	Baton Rouge, LA
22067	Morehouse	LA	33740	Monroe, LA
25011	Franklin	MA	44140	Springfield, MA

FIPS County Code	County/County Equivalent	State Name	New CBSA	Counties
26067	Ionia	MI	24340	Grand Rapids-Kentwood, MI
26155	Shiawassee	MI	29620	Lansing-East Lansing, MI
27075	Lake	MN	20260	Duluth, MN-WI
28031	Covington	MS	25620	Hattiesburg, MS
28051	Holmes	MS	27140	Jackson, MS
28131	Stone	MS	25060	Gulfport-Biloxi, MS
29053	Cooper	MO	17860	Columbia, MO
29089	Howard	MO	17860	Columbia, MO
30095	Stillwater	MT	13740	Billings, MT
37007	Anson	NC	16740	Charlotte--Concord-Gastonia, NC-SC
37029	Camden	NC	47260	Virginia Beach-Norfolk-Newport News, VA-NC
37077	Granville	NC	20500	Durham-Chapel Hill, NC
37085	Harnett	NC	22180	Fayetteville, NC
39123	Ottawa	OH	45780	Toledo, OH
45027	Clarendon	SC	44940	Sumter, SC
47053	Gibson	TN	27180	Jackson, TN
47161	Stewart	TN	17300	Clarksville, TN-KY
48203	Harrison	TX	30980	Longview, TX
48431	Sterling	TX	41660	San Angelo, TX
51097	King and Queen	VA	40060	Richmond, VA
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
54065	Morgan	WV	25180	Hagerstown-Martinsburg, MD-WV
55069	Lincoln	WI	48140	Wausau-Weston, WI
72001	Adjuntas	PR	38660	Ponce, PR
72083	Las Marias	PR	32420	Mayagüez, PR

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

Urban Counties that Will Move to a New or Modified CBSA

FIPS County Code	County Name	State	Current CBSA	Current CBSA Name	New CBSA Code	Proposed CBSA Name
17031	Cook	IL	16974	Chicago-Naperville-Arlington Heights, IL	16984	Chicago-Naperville-Evanston, IL

FIPS County Code	County Name	State	Current CBSA	Current CBSA Name	New CBSA Code	Proposed CBSA Name
17043	Du Page	IL	16974	Chicago-Naperville-Arlington Heights, IL	16984	Chicago-Naperville-Evanston, IL
17063	Grundy	IL	16974	Chicago-Naperville-Arlington Heights, IL	16984	Chicago-Naperville-Evanston, IL
17093	Kendall	IL	16974	Chicago-Naperville-Arlington Heights, IL	20994	Elgin, IL
17111	Mc Henry	IL	16974	Chicago-Naperville-Arlington Heights, IL	16984	Chicago-Naperville-Evanston, IL
17197	Will	IL	16974	Chicago-Naperville-Arlington Heights, IL	16984	Chicago-Naperville-Evanston, IL
34023	Middlesex	NJ	35614	New York-Jersey City-White Plains, NY-NJ	35154	New Brunswick-Lakewood, NJ
34025	Monmouth	NJ	35614	New York-Jersey City-White Plains, NY-NJ	35154	New Brunswick-Lakewood, NJ
34029	Ocean	NJ	35614	New York-Jersey City-White Plains, NY-NJ	35154	New Brunswick-Lakewood, NJ
34035	Somerset	NJ	35084	Newark, NJ-PA	35154	New Brunswick-Lakewood, NJ
36027	Dutchess	NY	20524	Dutchess County-Putnam County, NY	39100	Poughkeepsie-Newburgh-Middletown, NY
36071	Orange	NY	35614	New York-Jersey City-White Plains, NY-NJ	39100	Poughkeepsie-Newburgh-Middletown, NY
36079	Putnam	NY	20524	Dutchess County- Putnam County, NY	35614	New York-Jersey City-White Plains, NY-NJ
47057	Grainger	TN	28940	Knoxville, TN	34100	Morristown, TN
54043	Lincoln	WV	26580	Huntington-Ashland, WV-KY-OH	16620	Charleston, WV
72055	Guanica	PR	38660	Ponce, PR	49500	Yauco, PR
72059	Guayanilla	PR	38660	Ponce, PR	49500	Yauco, PR
72111	Penuelas	PR	38660	Ponce, PR	49500	Yauco, PR
72153	Yauco	PR	38660	Ponce, PR	49500	Yauco, PR

Update to Payments for High-Cost Outliers under the IRF PPS for FY 2021

CMS estimated that IRF outlier payments as a percentage of total estimated payments will be approximately 2.6 percent in FY 2020. Therefore, CMS will update the outlier threshold amount from \$9,300 for FY 2020 to **\$7,906** for FY 2021 to maintain estimated outlier payments at approximately 3.0 percent of total estimated aggregate IRF payments for FY 2021.

Removal of the Post-Admission Physician Evaluation Requirement from the IRF Coverage Requirements

CMS will remove the post-admission physician evaluation documentation requirement at § 412.622(a)(4)(ii) beginning with FY 2021, that is, for all IRF discharges beginning on or after October 1, 2020.

Amendment to Allow Non-physician Practitioners to Perform Certain IRF Coverage Requirements that Are Currently Required to Be Performed by a Rehabilitation Physician

CMS is finalizing a portion of its proposed policy changes by amending § 412.622(a)(3)(iv) to allow, beginning with the second week of admission to the IRF, a non-physician practitioner who is determined by the IRF to have specialized training and experience in inpatient rehabilitation to conduct 1 of the 3 required face-to-face visits with the patient per week, provided that such duties are within the non-physician practitioner's scope of practice under applicable state law.

To be clear, CMS says that "in the first week of the IRF stay, we continue to require the rehabilitation physician to visit patients a minimum of three times to ensure that the patient's plan of care is fully established and optimized to the patient's care needs in the IRF. In the second, third, fourth weeks of the stay, and beyond, we will continue to require Medicare fee-for-services beneficiaries in IRFs to receive a minimum of three rehabilitation physician visits per week, but will amend § 412.622(a)(3)(iv) to allow nonphysician practitioners to independently conduct one of these three minimum required visits per week. We believe that this measured approach to expanding the role of non-physician practitioners in IRFs balances the commenters' concerns about maintaining the rehabilitation physician at the core of the patient's plan of care in the IRF with the benefits of expanding the role of non-physician practitioners, who play an important role in the interdisciplinary team and the care of complex patients. We are also making conforming changes to § 412.29(e) to allow, beginning with the second week of admission to the IRF, a non-physician practitioner who is determined by the IRF to have specialized training and experience in inpatient rehabilitation to conduct 1 of the 3 required face-to-face visits with the patient per week, provided that such duties are within the non-physician practitioner's scope of practice under applicable state law."

Waiver of the 60-day Delayed Effective Date for the Final Rule

CMS says "prioritizing its efforts in support of containing and combatting the COVID-19 PHE, and devoting significant resources to that end, it was impracticable for CMS to complete the work needed on the IRF PPS final rule in accordance with our usual schedule for this rulemaking, which aims for a publication date providing for at least 60 days of public notice before the start of the fiscal year to which it applies."

CMS is waiving the 60-day requirement and determining that the IRF PPS final rule will take effect 55 days after issuance – October 1, 2020