



## Inpatient Rehabilitation Facility Prospective Payment System

# **Inpatient Rehabilitation Facility Tier Comorbidity Updates**

**June 16, 2016**

# Purpose

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To allow Inpatient Rehabilitation Facilities (IRFs) and other stakeholders to provide input and suggestions to CMS in the areas of concern/interest in updating the tier comorbidity portion of the IRF payment prospective system (PPS)

# Background

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- Under the IRF PPS, Medicare patient cases are grouped into Rehabilitation Impairment Categories (RICs) based on the primary reason for intensive rehabilitation care.
- Cases are further grouped into case-mix groups (CMGs), which group similar cases according to age, motor, and cognitive scores.
- Within each CMG, cases are grouped into one of four tiers based on the presence of certain comorbidities (conditions that are secondary to the principal diagnosis or reason for the intensive rehabilitation care) that have been found to increase the cost of care.
- Each *comorbidity tier* (None, Tier 3, Tier 2, and Tier 1) adds a successively higher payment to the case.

# Tier Comorbidity Update Project

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- CMS is working with Acumen, LLC to analyze the tier comorbidities list and policies
- The tier comorbidities list was last updated in 2006 and 2007
- CMS seeks early stakeholder input to ensure that we include in our analysis stakeholder concerns and comments

# The Tier Comorbidities List

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- The FY 2017 Tier Comorbidities file contains the list of diagnoses (ICD-10-CM diagnosis codes) that are used to determine placement in tiers for IRF discharges, effective October 1, 2016. It contains the ICD-10-CM diagnosis codes, the abbreviated code labels, the appropriate tier, and any RICs for which the ICD-10-CM codes are excluded from the tiers.
- The file can be found at the following location:  
<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/Data-Files.html>

# Additional Questions

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- For IRF Tier Comorbidities Project questions: [IRFcoverage@cms.hhs.gov](mailto:IRFcoverage@cms.hhs.gov)
- IRF PPS website: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/index.html?redirect=/InpatientRehabFacPPS/>