Medical Review Policy (LMRP)
For Inpatient Rehabilitation Medical Necessity

ISSUE

- Local Medical Review Policies introduced in several states propose a dramatically new medical necessity standard for inpatient rehabilitation. Implementation of these **LMRPs would significantly restrict access to inpatient rehab care in the affected states by excluding many Medicare beneficiaries from eligibility for coverage** by the Centers for Medicare and Medicaid Services (CMS). Non-Medicare beneficiaries would also be denied access.

BACKGROUND

- In recent months, LMRPs for inpatient rehabilitation medical necessity have been introduced by CMS-contracted Fiscal Intermediaries for several states: Alabama, Georgia, New Jersey, Pennsylvania, and Tennessee. The LMRPs in these states are essentially identical to one another. Other FIs are also considering introducing a LMRP on this issue.

- The field agrees that CMS needs a mechanism to ensure that care provided by Inpatient Rehabilitation Facilities (IRFs) is medically necessary. The medical necessity standards in the CMS Hospital Manual at Section 211 are stringent and provide CMS with an appropriate means of determining when a patient requires the intensive care and therapy provided by an IRF.

- These rehab LMRPs are a dramatic departure from the existing medical necessity standards. The CMS Program Integrity Manual requires LMRPs to be "based on the strongest evidence available" and mandates that "LMRPs which challenge the standard of practice in a community...must be based on sufficient evidence to convincingly refute evidence presented in support of coverage." However **clinical and research experts have found that the rehab LMRPs have a very weak scientific foundation and are inconsistent with the medical literature.**

- Since there is a rulemaking underway concerning one of the key exclusion criteria for IRFs, known as the 75% Rule, we believe the FIs are premature in issuing LMRPs that are interrelated to the 75% Rule policy activity.

SOLUTION: Stop – Study – Modernize

- Rulemaking related to the LMRPs (and the 75% Rule) should be stopped to allow the Institute of Medicine (IOM) to convene a panel of experts to study the medical literature and establish clinically appropriate standards for medical necessity and IRF qualification. The panel's findings would provide CMS and the field with a strong scientific basis for future design and implementation of IRF policies. While the IOM analysis is conducted and the findings evaluated, the threshold should be reduced to 50% using the common interpretation of polyarthritis that includes joint replacements.