

Assessing payment adequacy: Inpatient rehabilitation facility services

ISSUE: Are payments for inpatient rehabilitation facilities (IRFs) adequate? How should payments for fiscal year 2012 be updated?

KEY POINTS: We examine the following factors using the most recent available data to assess whether Medicare payments for IRFs are adequate:

- beneficiaries' access to care
 - supply of facilities, occupancy rates, and the number of rehabilitation beds
 - volume of services
- quality of care
- access to capital, and
- provider payments and costs

ACTION: Commissioners should review the findings and discuss the draft recommendation, which will be presented at the meeting.

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