Hello Academy Members!

We are excited to bring you a 2 part series in this next Message from the Practice Committee. Part 1 focuses on key components of payment reform by practice setting. Scroll down to see where you need to educate yourself. Don’t miss the last item which impacts therapists across all settings! Part 2 will connect you to many resources coming from the ANPT workgroups that can help advance your practice.

What changes are happening in your area of practice?

**Skilled Nursing Facilities**

**Payment Reform: Patient Driven Payment Model (PDPM)**

**Effective date:** October, 2019

**Changes:** The RUG-IV model will be replaced with the Payment Driven Payment Model (PDPM). The PDPM:

- is value based.
- offers a unified post-acute care payment system.
- encourages holistic care.
- Payment is determined by the patient’s condition and care needs as opposed to the amount of care provided.
- Concurrent and Group Therapy, under PDPM, can combine for only 25% of all therapy that the patient receives during their stay. Currently, concurrent therapy has no cap while group therapy is capped at 25%.
- Assessments - Under the PDPM, only an admission and discharge assessment are required during the patients’ stay. The discharge assessment will include PT/OT/ST therapy minutes, mode (individual/family/group), and days of each discipline.
- Length of stay & payment - After 20 days in a SNF, payment will drop by 2% every 7 days.

**More information here:**

- APTA Summary: [http://www.apta.org/Payment/Medicare/CodingBilling/SNF/](http://www.apta.org/Payment/Medicare/CodingBilling/SNF/)
Medicare Part B

Acute Care Observation/Outpatient/Home Health

Payment Reform: PTA Modifier and Pay Differential

Effective Date: January, 2020

Changes:
Services provided by PTAs and OTAs will be reimbursed at 85% of the Medicare physician fee schedule:
- The Centers for Medicare and Medicaid (CMS) established a differential payment rate for services provided to Medicare Part B beneficiaries by physical therapy assistants (PTAs) and occupational therapy assistants (OTAs) in outpatient and home health care settings.
- Timeline for implementation:
  ○ A new assistant modifier is to be created by Jan 1, 2019.
  ○ This modifier will be required on claims beginning Jan 1, 2020.
  ○ The new payment differential plan will start in Jan 1, 2022.
- For home health care providers, the differential applies if a home health plan of care is not in effect.

More information here:
- #4 and 5 in the PT in Motion Update:
  www.apta.org/PTinMotion/News/2018/02/16/BudgetDeal5Things/

Payment Reform: Discontinuing Functional Limitation Reporting

Effective Date: January 1, 2019

Changes:
G-codes are retired!
- The Centers for Medicare and Medicaid (CMS) has proposed, as part of the 2019 physician fee schedule, the discontinuation of the Functional Reporting requirement for therapy services provided under Medicare Part B on or after January 1, 2019.
- CMS noted that one reason for the decision was strong APTA regulatory and legislative advocacy efforts highlighting the heavy administrative burden without a reflective benefit to patient care. Kudos to the APTA!

More information here:
- APTA Summary:
  http://www.apta.org/PTinMotion/News/2018/07/13/ProposedFeeSchedule/

Outpatient Physical Therapy

Payment Reform: Merit-Based Incentive Payment System (MIPS)

Effective date: January, 2019 (but not mandatory until 2nd quarter, 2019)

Changes:
Requirement to report quality measures and evidence of quality improvement success
- You are affected if you are in private practice, and see more than 200 unique Medicare part B patients per year and receive more than 90,000 allowed Medicare charges/year
- Consider joining the PT Outcomes Registry in order to better track data and show your value ($299/person for APTA members)

More information here:
- PT in Motion Updates:
  ○ www.apta.org/PTinMotion/News/2018/09/17/PFSComments
  ○ http://www.apta.org/PTinMotion/News/2018/07/13/ProposedFeeSchedule/

Inpatient Rehabilitation Facilities

Payment Reform: Discontinuing Functional Impairment Measure (FIM)

Effective Date: October 1, 2019

Changes:
The FIM will no longer be required!
The Centers for Medicare and Medicaid (CMS) will remove the Functional Independence Measure from the Inpatient Rehabilitation Facility Patient Assessment Instrument (IRF PAI) beginning October 1, 2019.

**More information here:**
- PT in Motion Summary: [http://www.apta.org/PTinMotion/NewsNow/?blogmonth=8&blogday=1&blogyear=2018&blogid=10737418615](http://www.apta.org/PTinMotion/NewsNow/?blogmonth=8&blogday=1&blogyear=2018&blogid=10737418615)

## All Practice Settings

### Payment Reform: Discontinuing Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding

#### Effective Date: January 1, 2019

#### Changes:
- Medicare beneficiaries will be able to receive services from any vendor enrolled in DMEPOS.
- Beginning January 1, 2019, Medicare beneficiaries may receive Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) from any Medicare enrolled DMEPOS supplier until new contracts are awarded under the next round of the bidding program.
- The proposed rule would extend the 50/50 blended rate reimbursement rates for rural and non-contiguous areas (Alaska, Hawaii and U.S. territories) provided in CMS’s **May IFR** through Dec. 31, 2020.

### All Practice Settings

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**More information here:**
- CMS Report: [www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid/index.html](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid/index.html)

### Coming up next:

**Special Interest Group and Knowledge Translation Task Force Highlights. Stay Tuned!**

The ANPT Practice Committee welcomes your feedback and questions. Please send all inquiries to Heather Knight at [info@neuropt.org](mailto:info@neuropt.org).

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### The Practice Committee

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### STAY CONNECTED

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