

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



Comprehensive Outpatient Rehabilitation Facility

FACT SHEET



This publication provides the following information about Comprehensive Outpatient Rehabilitation Facilities (CORF):

- ❖ Background;
- ❖ Core CORF services;
- ❖ Optional CORF services;
- ❖ Place of treatment requirements;
- ❖ Physical therapy (PT), occupational therapy (OT), and speech-language pathology (SLP) plan of care (POC) requirements;
- ❖ Respiratory therapy (RT) POC requirements;
- ❖ Payment for CORF services; and
- ❖ Resources.

BACKGROUND

A CORF is a facility that is primarily engaged in providing outpatient rehabilitation for the treatment of Medicare beneficiaries who are injured, disabled, or recovering from illness.

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CORF services must:

- ❖ Be reasonable and medically necessary to the overall diagnosis and treatment of the beneficiary's illness or injury or to improve the function of a malformed body member; therefore, the beneficiary must show potential for restoration or improvement of his or her lost or impaired functions;
- ❖ Be needed because the beneficiary requires skilled rehabilitation services provided under therapy POCs that are certified and recertified, as appropriate, by physicians; and
- ❖ Be the type of service that would be covered if provided in a hospital (it is not necessary for the beneficiary to require a hospital level of care or meet other requirements unique to hospital care).

CORF skilled rehabilitation services are defined as services that require the skills of:

- ❖ Physical therapists;
- ❖ Occupational therapists;
- ❖ Speech-language pathologists; or
- ❖ Respiratory therapists who may provide skilled RT services under the CORF benefit.

CORE COMPREHENSIVE OUTPATIENT REHABILITATION FACILITY SERVICES

CORFs must at least provide the following core CORF services:

- ❖ CORF physician services;
- ❖ PT services; and
- ❖ Social and/or psychological services.



Comprehensive Outpatient Rehabilitation Facility Physician Services

CORF physician services include professional services performed by a doctor of medicine or a doctor of osteopathy who is legally authorized to practice medicine and surgery by the State in which he or she performs services. These services are administrative in nature and may include:

- ❖ Consultation with and medical supervision of non-physician staff;
- ❖ Case review conferences;
- ❖ Team conferences;
- ❖ Utilization review;
- ❖ Review of the rehabilitation POC; and
- ❖ Other facility medical and administrative activities necessary to the provision of skilled rehabilitation services.

The CORF physician must be present in the facility for a sufficient amount of time to provide medical direction, medical care services, and consultation in accordance with accepted principles of medical practice.

CORF physician services do not include diagnostic or therapeutic services (e.g., evaluation and management services, surgical debridement, and electrocardiography) that result in billable services. These services provided by CORF or other physicians to CORF patients are not considered CORF physician services; rather, if covered, they are Part B physician services that are payable to the physician. The physician submits the claim for these services to Carriers or Part B Medicare Administrative Contractors, indicating the place of service (code 62) for the CORF, and is paid at the non-facility payment amount under the Medicare Physician Fee Schedule (PFS). There is no facility payment to the CORF for billable physician services.

Physical Therapy Services

PT services include:

- ❖ Evaluation (and re-evaluation) of an individual's level of function through testing, measurement, and assessment;
- ❖ Treatment of the individual's function or dysfunction of the neuromuscular, musculoskeletal, cardiovascular, and respiratory systems; and
- ❖ Establishment of a maintenance therapy program for an individual whose restoration potential has been reached.

The physical therapist must be on the CORF premises or available to the physical therapist assistant through direct telecommunication for consultation and assistance during the CORF's operating hours.

Social and/or Psychological Services

Although social and/or psychological services are a core CORF service, they are covered only if the beneficiary's physician or the CORF physician has established that the services directly relate to and are needed to achieve goals in the rehabilitation POC. Where these services are necessary, they must:

- ❖ Address the beneficiary's response and adjustment to the rehabilitation POC;
- ❖ Address the beneficiary's rate of improvement and progress toward rehabilitation goals; or
- ❖ Directly relate to the PT, OT, SLP, or RT POC.

Social and/or psychological services for mental health diagnoses are not considered CORF services.

OPTIONAL COMPREHENSIVE OUTPATIENT REHABILITATION FACILITY SERVICES

In addition to the three CORF core services, CORFs may also provide optional rehabilitative and other medically necessary items and services. These services must:

- ❖ Directly relate to and be consistent with the rehabilitation POC; and
- ❖ Be necessary to achieve the beneficiary's rehabilitation goals.

A CORF may provide any of the optional rehabilitative services listed below in addition to the required core PT services:

- ❖ OT services include the evaluation (and re-evaluation) of an individual's level of function and treatment through various methods (e.g., the use of compensatory techniques or task-oriented therapeutic activities);
- ❖ SLP services include diagnosing and treating dysphagia and speech and language disorders that create difficulties in communication; and
- ❖ RT services include only those services that are appropriately provided to a CORF beneficiary by a qualified respiratory therapist under a physician-established RT POC in accordance with current medical and clinical standards.

For OT services, the occupational therapist must be on the CORF premises or available to the occupational therapy assistant through direct telecommunication for consultation and assistance during the CORF's operating hours.

The requirements for providing optional CORF services are listed below:

- ❖ Nursing services include those services that are directly related to and specified in the rehabilitation POC, necessary for the attainment of rehabilitation goals, and provided by a registered nurse;
- ❖ Prosthetic and orthotic device services include those services that are specified in the rehabilitation POC and the testing, fitting, and training in use of the device;
- ❖ Drugs and biologicals services include only those services that are not excluded from Medicare Part B payment (including self-administered drugs and biologicals) and that are identified as a drug or biological that can be provided in a CORF (none are currently identified as being appropriate for a therapy rehabilitation POC);
- ❖ Cast and splint supplies include those supplies that are used in conjunction with the corresponding Current Procedural Terminology (CPT) codes for the application of casts and strapping services. These services may be separately billed, as appropriate (disposable supplies are generally included in the value of CPT codes; therefore, CORFs cannot bill separately for the supplies they provide); and
- ❖ Durable medical equipment includes equipment that is provided for the patient's use outside of the CORF.

Even though influenza virus, pneumococcal, and Hepatitis B vaccines and their administration are outside the rehabilitation POC, they are covered in a CORF as optional services.

A separate home environment evaluation may be provided for an individual as part of the PT, OT, or SLP POC. PT, OT, or SLP home environment evaluation visit services:

- ❖ May be performed only one time per beneficiary;
- ❖ Include evaluating the potential impact of the home environment on the beneficiary's rehabilitation goals;
- ❖ Include tailoring a rehabilitation POC that takes the beneficiary's home environment into account;
- ❖ Must be performed by the physical therapist, occupational therapist, or speech-language pathologist;
- ❖ Must be performed in the beneficiary's presence; and
- ❖ Must not be performed for a beneficiary who is under a Home Health (HH) POC. If the beneficiary is under a HH POC, the home environment evaluation will not be covered under the CORF benefit.

PLACE OF TREATMENT REQUIREMENTS

In general, CORF services must be furnished on the premises of the CORF. PT, OT, and SLP services may be furnished in the beneficiary's home as CORF services when payment is not otherwise made for these services under the Medicare HH benefit. The beneficiary must not be under a HH POC when a home environment evaluation is performed. The CORF is considered the primary location for providing PT, OT, and SLP services to beneficiaries; therefore, it is expected that a clear majority of these services will be provided on CORF premises. All RT services must be provided on the CORF premises.



PHYSICAL THERAPY, OCCUPATIONAL THERAPY, AND SPEECH-LANGUAGE PATHOLOGY PLAN OF CARE REQUIREMENTS

When the beneficiary's referring physician has not established the PT, OT, or SLP POC, the CORF physician, in consultation with the physical therapist, occupational therapist, or speech-language pathologist who will be providing the therapy, establishes and signs the written rehabilitation POC. The PT, OT, or SLP rehabilitation POC must be established and signed prior to commencement of treatment in the CORF setting (this does not preclude treatment on the same day).

With the exception of development of the PT, OT, or SLP POC, all other outpatient therapy coverage and documentation guidelines apply to the CORF setting.

The CORF physician or the referring physician for PT, OT, and/or SLP services must review the POC at least once every 90 days and certify that:

- ❖ The beneficiary needs or continues to need skilled rehabilitation services;
- ❖ The rehabilitation POC is being followed; and
- ❖ The beneficiary is making progress in attaining the established rehabilitation goals.

The 90-day certification period begins with the first day of the rehabilitation therapy.

RESPIRATORY THERAPY PLAN OF CARE REQUIREMENTS

For RT services, the CORF physician or the beneficiary's referring physician must wholly establish the RT POC. The physician must review and recertify the RT POC at least once every 60 days. The 60-day certification period begins with the first day of RT treatment.

When the beneficiary reaches a point where no further progress is being made toward the rehabilitation goals or the skills of a therapist are no longer required, Medicare coverage ends.

PAYMENT FOR COMPREHENSIVE OUTPATIENT REHABILITATION FACILITY SERVICES

In order to receive Medicare payment for covered services, the CORF must:

- ❖ Have adequate space and equipment necessary for any of the services provided; and
- ❖ Have the necessary qualified personnel required to provide directly, or under arrangements, all of the services required by beneficiaries who are accepted into the CORF, as established in the rehabilitation POC.



PT services must represent a predominance of all the rehabilitation services when a CORF opts to offer, in addition to the required PT services, any of the OT, SLP, and/or RT optional rehabilitation services.

All CORF services are paid under the PFS except:

- ❖ Drugs and biologicals; and
- ❖ Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS).

No separate payment is made for CORF physician services that are considered administrative in nature.

Services Paid Under the Medicare Physician Fee Schedule

The following CORF services are paid under the PFS when they are part of or directly relate to the rehabilitation POC:

- ❖ PT services;
- ❖ OT services;
- ❖ SLP services;
- ❖ RT services – Bill using only revenue codes 0410, 0412, and 0419, as appropriate. Separate payment will not be made for diagnostic tests or for services related to physiologic monitoring that are bundled into other RT services appropriately performed by a respiratory therapist (e.g., Healthcare Common Procedure Coding System [HCPCS] codes G0237, G0238, and G0239);

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- ❖ Nursing services – Bill using only HCPCS code G0128 with revenue codes 0550 and 0559, as appropriate; and
- ❖ Social and/or psychological services – Bill using only HCPCS code G0409 with revenue codes 0560, 0569, 0910, 0911, 0914, and 0919, as appropriate.

Payment for CORF services is based on 80 percent of the lesser of:

- ❖ The actual charge for the service; or
- ❖ The PFS amount (when it has been established for the service).

Services Paid Under the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Fee Schedule or Competitive Bidding Program

Payment for DMEPOS devices and supplies provided by a CORF under the DMEPOS Fee Schedule or Competitive Bidding Program is based on the lesser of:

- ❖ Eighty percent of actual charges;
- ❖ The payment amount established under the DMEPOS Fee Schedule; or
- ❖ The single payment amount established under the DMEPOS Competitive Bidding Program provided that it is not included in the payment amount for other CORF services.

Drugs and Biologicals

Payment for drugs where payment is not included in the payment amount for other CORF services is, if applicable, at the lesser of 80 percent of the following:

- ❖ The actual charge; or
- ❖ The amount determined under the methodology at Section 1842(o)(1) of the Social Security Act.

At this time, however, no separate payment is made for drugs provided in the CORF because the Centers for Medicare & Medicaid Services (CMS) has not identified any drugs as appropriately included under the rehabilitation POC.

Vaccines and Their Administration

Payment for vaccines is based on 95 percent of the average wholesale price. Payment for vaccine administration is made under the PFS.

Services for Which There is No Fee Schedule Amount

If there is no fee schedule amount for a covered CORF item or service, payment is based on the lesser of:

- ❖ Eighty percent of the actual charge for the service provided; or
- ❖ An amount determined by the local Medicare Contractor.

RESOURCES

To find additional information about CORFs, refer to Chapter 5 of the “Medicare Claims Processing Manual” (Publication 100-04) and Chapter 12 of the “Medicare Benefit Policy Manual” (Publication 100-02) located at <http://www.cms.gov/Manuals/IOM/list.asp> on the CMS website. To find the compilation of Social Security laws, visit http://www.ssa.gov/OP_Home/ssact/title18/1800.htm on the U.S. Social Security Administration website. To find Medicare information for beneficiaries (e.g., Medicare basics, managing health, and resources), visit <http://www.medicare.gov> on the CMS website.



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