

## MEDPAC CONSIDERS SNF BUNDLED PAYMENTS, THERAPY CAP CHANGES

The Medicare Payment Advisory Commission (MedPAC) is an independent Congressional advisory agency that makes formal recommendations to Congress in March and June of each year. MedPAC was created to advise Congress on issues affecting the administration of the Medicare Program. While Congress is not obligated to follow MedPAC's recommendations, the recommendations are heavily considered.

This month, MedPAC released their semi-annual recommendation which included utilizing bundled payments to skilled nursing facilities (SNFs) and other post-acute providers to encourage more efficient coordination of care, and discourage high volumes of service. Many questions remain about how a bundled payment would work, but it is something Congress is considering.

Another issue raised by the MedPAC recommendation was therapy caps. The therapy cap is a Medicare annual limit on the per-beneficiary out-patient therapy services benefit. MedPAC's data shows therapy costs growing at a faster rate than therapy patients; meaning the therapy cost per patient is growing. MedPAC made recommendations to Congress on ways to stymie the increasing per-patient costs, including requiring stronger "physician attestations" on reimbursement claims, or overhauling the payment system.

Both of these issues still have many details to work out, but providers should be aware that Congress is considering such changes.

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