

Addressing the Gap in Medicare A Coverage for Non-Weight-Bearing Orthopedic Patients



INTRODUCTION

Orthopedic patients requiring post-acute care following surgery face significant challenges in continuity of therapy under current Medicare Part A (Med A) coverage policies. Specifically, patients referred to skilled nursing facilities (SNFs) with non-weight-bearing status for a defined period (e.g., four weeks) experience a coverage gap that limits access to necessary therapy and disrupts recovery trajectories.

UNDER THE CURRENT SYSTEM:

- Medicare Part A reimburses SNFs to provide therapy for functional limbs (e.g., arms or the non-surgical leg) but prohibits therapy on the surgical leg until weightbearing status is achieved.
- Coverage often ends before the patient transitions to weight-bearing status, leaving them unable to benefit from rehabilitative therapy on the surgical leg.
- The patient is discharged without receiving the full course of therapy needed for optimal recovery, often leading to poorer outcomes and higher likelihood of readmissions.

This misalignment creates significant barriers for patients and providers, undermining the intended objectives of Medicare Part A to support post-acute recovery.

POLICY BRIEF | JANUARY 2025

PROPOSED SOLUTION

To address this gap in coverage, ASI recommends implementing a two-phase reimbursement structure for non-weight-bearing orthopedic patients admitted to SNFs:

1 Initial Non-Weight-Bearing Period

- Reimbursement Rate: A reduced rate, potentially aligned with Medicaid rates, to cover the cost of care during the period where therapy is restricted to non-surgical limbs and functional conditioning.
- Purpose: Provide financial support for SNFs to manage these patients while ensuring therapy focuses on maintaining overall functionality, reducing deconditioning, and preparing the patient for eventual weight-bearing therapy.

2 Delayed Medicare Part A Coverage

- Reimbursement Rate: Full Medicare Part A
 coverage reinstated once weight-bearing status is
 achieved, enabling the SNF to deliver
 comprehensive therapy, including the surgical limb.
- Purpose: Ensure the patient receives rehabilitative therapy on the surgical limb to achieve full recovery, improving outcomes and reducing the likelihood of hospital readmissions or long-term disability.



POLICY RATIONALE

To address this gap in coverage, ASI recommends implementing a two-phase reimbursement structure for non-weight-bearing orthopedic patients admitted to SNFs:

1 Improved Patient Outcomes:

■ The two-phase approach ensures continuous care throughout the recovery process, allowing patients to progress from functional conditioning to full rehabilitative therapy without disruptions. This strategy aligns with Medicare's goals of promoting health and reducing avoidable healthcare costs.

2 Support for SNFs:

Many SNFs are unable to financially sustain care for patients with limited therapy coverage. Introducing a reduced-rate reimbursement during the nonweight-bearing period allows facilities to accept these patients without incurring unsustainable losses.

3 Support for SNFs:

Many SNFs are unable to financially sustain care for patients with limited therapy coverage. Introducing a reduced-rate reimbursement during the non-weightbearing period allows facilities to accept these patients without incurring unsustainable losses.

POLICY BRIEF | JANUARY 2025

IMPLEMENTATION CONSIDERATIONS

1 Eligibility Criteria:

 Define clear criteria for patients eligible for the proposed phased reimbursement, such as physician documentation of non-weight-bearing status and anticipated weight-bearing timeline.

2 Reimbursement Structure:

- Develop a standardized reduced-rate reimbursement for the non-weight-bearing phase.
- Allow seamless transition to full Medicare Part A coverage once weight-bearing status is documented.

2 Regulatory and Legislative Action:

- Amend current Medicare Part A coverage policies to accommodate the proposed structure.
- Work with CMS to establish the necessary billing codes and procedures for phased reimbursement.

CALL TO ACTION

The current Medicare Part A policy fails to account for the unique recovery needs of non-weight-bearing orthopedic patients, resulting in suboptimal outcomes and financial burdens on providers. By adopting a phased reimbursement approach, Medicare can ensure these patients receive comprehensive care, improve recovery outcomes, and enhance the sustainability of post-acute care providers.

ASI advocates for this solution as a critical step toward aligning Medicare policies with patient and provider needs in post-acute care settings.

