



**Association of
American Medical Colleges**
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June 29, 2009

Via Electronic Submission

Ms. Charlene Frizzera
Acting Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
Room 445-G
200 Independence Avenue, SW
Washington, DC 20201

Attention: 1538-P

Dear Ms. Frizzera:

The Association of American Medical Colleges (AAMC) welcomes this opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS or the Agency) proposed rule entitled "*Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2010.*" 74 Fed. Reg. 21052 (May 6, 2009). The AAMC is a not-for-profit association representing approximately 400 major teaching hospitals and health systems; all 130 accredited U.S. medical schools; nearly 90 professional and academic societies; and the nation's medical students and residents.

This year's proposed rule would change how CMS calculates the teaching adjustment factor under the inpatient rehabilitation facility (IRF) prospective payment system (PPS). We write to express our support for the proposed regulatory changes to the calculation of the teaching adjustment factor.

Since its implementation in 2006, CMS has calculated the teaching adjustment factor using fiscal year (FY) 2003 Medicare claims and cost data. Starting in FY 2010, CMS proposes to recalculate the adjustment factor using data from IRFs three most recent cost reports instead of relying on data from a single year. Specifically the Agency is proposing to calculate the teaching status adjustment factor based on FY 2005, FY 2006 and FY 2007 data rather than based on FY 2007 data only. According to the Agency, under the proposed methodology, for FY 2010, IRFs would receive a 1.0494 teaching adjustment factor compared to receiving a 1.0451 adjustment factor if CMS uses only FY 2007 data.

The proposed changes are in response to a comment the Agency received on the FY 2009 IRF PPS proposed rule suggesting that CMS consider a three-year average approach to

Charlene Frizzera

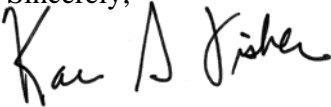
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help minimize large fluctuations in the adjustment factors from year to year, thereby enabling IRFs to plan their future Medicare payments more accurately. CMS's analyses show that, indeed, the teaching status adjustment fluctuates significantly from year to year over the FY 2005–FY 2007 time period, from 1.5155 in FY 2005 to 0.6732 and 1.0451 for FY 2006 and FY 2007 respectively. We support CMS's proposal to reduce such large fluctuations and promote consistency and predictability of teaching IRFs PPS payments over time.

If you have questions concerning these comments, please contact Diana Mayes (dmayes@aamc.org or 202-828-0498).

Sincerely,

A handwritten signature in black ink that reads "Karen A. Fisher". The signature is written in a cursive style with a large initial "K".

Karen Fisher, J.D.
Senior Director, Health Care Affairs

cc: Joanne M. Conroy, M.D., Chief Health Care Officer, AAMC