AMRPA Statement on HHS OIG Report on Medicare Advantage Denials for Inpatient Rehabilitation

WASHINGTON, D.C. — The American Medical Rehabilitation Providers Association (AMRPA) today issued the following statement in response to the U.S. Department of Health and Human Services Office of Inspector General's new report, *The Three Largest Medicare Advantage Organizations Denied Requests for Long-Term Acute Care and Inpatient Rehabilitation at Some of the Highest Rates*:

"AMRPA welcomes this important OIG report, which validates what inpatient rehabilitation hospitals and units across the country have been reporting for years: Medicare Advantage prior authorization practices too often delay or deny medically necessary inpatient rehabilitation care for patients recovering from serious illness, injury, surgery, and disabling conditions such as stroke, brain injury, spinal cord injury, and other medically complex diagnoses.

The report's findings are deeply concerning. OIG found that Medicare Advantage organizations denied more than half of prior authorization requests for inpatient rehabilitation facility care in the period reviewed, and that a significant share of appealed denials were later overturned. For patients who require intensive, hospital-level rehabilitation, these are not mere administrative delays. Even a few days without access to the right level of rehabilitative care can affect recovery, functional outcomes, discharge planning, caregiver burden, and the ability to return home and participate in the community.

The OIG's findings complement AMRPA's own member survey, conducted in the roughly the same period of time. AMRPA's survey found that MA plans overrule rehabilitation physician judgment by denying admissions at a rate of more than 57%; these denials resulted in more than 67,000 days waiting for determinations across those two months.

Based on these collective findings and the clear need for structural reforms, AMRPA is particularly encouraged that OIG recommends stronger, request-level data collection, including standardized service type and contractor information, as well as further CMS review of wide variations in denial and overturn rates across Medicare Advantage organizations and their contractors. Transparency is essential. Policymakers, patients, providers, and taxpayers deserve to know whether Medicare Advantage plans are applying Medicare coverage rules appropriately and whether third-party contractors are creating barriers to medically necessary care.

Medicare Advantage plans are required to cover the same basic Medicare benefits as Traditional Medicare. When medically appropriate inpatient rehabilitation is delayed or denied, patients suffer, hospitals face avoidable administrative burden, and the Medicare program fails to deliver on its promise to beneficiaries.

AMRPA urges CMS to act swiftly on OIG's recommendations and to strengthen oversight of Medicare Advantage prior authorization practices for inpatient rehabilitation. We also urge Congress to continue advancing bipartisan reforms that improve transparency, accountability, timeliness, and clinical integrity in Medicare Advantage prior authorization. Patients recovering

from catastrophic injury or illness should not have to fight an insurance process to receive the rehabilitation care that Medicare promises and that their physicians determine they need."

About AMRPA

The American Medical Rehabilitation Providers Association is the national trade association representing 800+ inpatient rehabilitation hospitals and units. AMRPA advocates for policies that ensure patients have timely access to medically necessary, high-quality medical rehabilitation services.