

ADVISORY NO. 285
###

TOPIC: CARF ACCREDITED V. NON-CARF ACCREDITED

The Commission of Accreditation of Rehabilitation Facilities (CARF) is an organization that accredits interdisciplinary programs such as work hardening and chronic pain management.

It is very important that you keep track of which programs are accredited and which are not. The TWCC Medical Fee Guideline provides that non-accredited programs are paid 20% below the Maximum Allowed Reimbursement for charges that have one, and 20% below the usual and customary fee for charges that do not have an MAR. CARF-accredited facilities are to be paid at 100% of the MAR or the fair and reasonable reimbursement for charges with no MAR.

Compliance and Practices is now penalizing carriers for paying CARF-accredited facilities at the rate for non-accredited facilities. Be very careful when reimbursing work hardening and chronic pain management programs. Document your information regarding their accreditation status at the time of payment.

We anticipate a number of substantial fines on this issue. The providers have been very actively complaining to TWCC. We further anticipate that TWCC will assert that our failure to reimburse at the correct rate is a “business practice” of “repeated administrative violations”. For repeated violations, the statute provides for fines in the amount of \$10,000 as well as a cease and desist order. Sec. 415.021 TEX. LAB. CODE.