

Comprehensive Outpatient Rehabilitation Facilities (CORFs)

2360 - CORF - Citations and Description

(Rev. 1, 05-21-04)

The statutory basis for CORFs is [§1861\(cc\)](#) of the Social Security Act (the Act). This was amended by §4078 of OBRA 1987 to allow CORFs to provide physical therapy, occupational therapy, and speech pathology services off-site. The CoPs are found in [42 CFR 485, Subpart B. Appendix K](#) contains surveyor and interpretive guidelines.

A CORF is a facility established and operated at a single fixed location exclusively for the purpose of providing diagnostic, therapeutic, and restorative services to outpatients by or under the supervision of a physician (See [§2364](#)). With the exception of financial management contracts, the responsibility for overall administration, management, and operation must be exercised by the CORF itself and not delegated to others. Financial management contracts may not be for more than five years as governed by [42 CFR 485.56\(f\)](#) (formerly 42 CFR 488.56(f)).

2362 - Scope and Site of Services

(Rev. 1, 05-21-04)

A CORF must provide, at a minimum, physicians' services, physical therapy, and social or psychological services. With the exception of physical therapy, occupational therapy, and speech-language pathology services, all CORF services must be provided on the CORF premises. However, one visit to the patient's home is allowed to evaluate the home environment in relation to the patient's established treatment plan. Physical therapy, occupational therapy, and speech pathology services may be provided off the CORF premises (including a patient's home).

Covered CORF services are those that would be covered as inpatient hospital services if furnished in a hospital. Covered items or services must be reasonable and medically necessary for the diagnosis or treatment of an illness or injury or to improve the functioning of a malformed body member. A service furnished as part of a maintenance program involving repetitive activities not requiring the skilled services of nurses or therapists would not be covered.

2364 - CORF'S Relationship With Other Providers or Suppliers

(Rev. 1, 05-21-04)

A CORF may be owned by, or affiliated with, a legal entity operating as another type of Medicare provider. The requirement for functional and operational independence does not require separate incorporation. Coordination between such entities in relation to personnel, equipment, and facilities is permissible if it is undertaken in accordance with §2364. The requirement for functional and operational independence is to assure that any entity seeking approval as a CORF meets the requirements for such approval and that the costs of different Medicare providers are clearly identified, segregated, and attributed to the proper provider.

When certifying a CORF, it is important to understand the relationship of space, equipment, and employees shared with other providers and suppliers.

2364A - Shared Space With Another Provider or Supplier

(Rev. 1, 05-21-04).

A CORF may be established on the premises of another health entity even though the other entity is currently approved under Medicare as a provider or supplier of services. For example, a SNF owner may rent space within the SNF to the CORF. The CORF must be functionally and operationally independent from the SNF (see §2360).

A CORF may not share a common space with the other entity unless the CORF is able to fully function without interruption during its scheduled hours of operation. Use of the CORF space by another, or host entity, during CORF hours of operation is not allowed. For example, one room in a suite used by an OPT/OSP provider and owned by the OPT/OSP provider or another party may function as a CORF location. However, although the CORF is located on the premises of the OPT/OSP provider, this space is not to be used for OPT/OSP purposes during the operating hours of the CORF.

2364B - Sharing of Equipment

(Rev. 1, 05-21-04)

Equipment may be shared in the same manner as space. All common equipment must be available on the premises of the CORF during hours of operation and not used at the same time by the other entity for any purpose.

A CORF need not own all of the equipment required for implementing a plan of treatment, but it must demonstrate that all required equipment can be readily procured when needed.

2364C - Employee Sharing

(Rev. 1, 05-21-04)

CORF employees or others may provide CORF services under arrangements with the CORF. It is not required that professional personnel be employed only by the CORF or function under arrangements exclusively for the CORF. However, CORF personnel also associated with another organization must be available during CORF operating hours.

2366 - Conversion of OPT/OSP to CORF

(Rev. 1, 05-21-04)

An OPT/OSP primary location may convert to a CORF if it meets the CORF CoPs. Normally, the OPT/OSP provider will relinquish its OPT/OSP site unless it shares space with the CORF. To share space, an identifiable part of the OPT/OSP at the site must be set aside exclusively for the operation of the CORF and treatment of CORF patients during CORF hours of operation.