

MDS Alert

MEDICARE NEWS

Double check whether a Part A resident has had a bona fide three overnight inpatient stay in the hospital before admission to the SNF. Reports indicate that more Medicare beneficiaries may be having protracted observation stays in hospitals that won't qualify them for a Part A SNF stay. A representative of Care Providers of Minnesota called into a recent SNF/LTC Open Door Forum to ask CMS if it's tracking the issue. "We have seen a huge increase anecdotally of residents admitted to SNFs denied Medicare Part A... payment because they did not get three days of hospital inpatient care," he lamented. "We've seen as many as 12 consecutive days of observation days in hospitals." Another caller also complained about the problem, characterizing it as a "residents' rights" issue.

In the ODF, CMS' **Sheila Lambowitz** said the agency has "also heard anecdotally about these very, very long 10- or 12-day [observation] stays." The intent of the observation stay, she noted, is to be short and result either in an inpatient admission to the hospital or a discharge home or to wherever the person came from, such as a SNF or assisted living, etc. The problem for SNFs, however, is that the SNF benefit is only in effect when the beneficiary has a threeday prior inpatient hospital stay, Lambowitz pointed out. "And observation days don't count as an inpatient stay."

Lambowitz promised to pass along the concerns about the use of observation stays to the group at CMS that handles observation days. "I think it's needed," she said.