



May 1, 2023

The Honorable Kevin McCarthy
Speaker U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader, U.S. Senate
Washington, DC 20510

The Honorable Hakeem Jeffries
Minority Leader, U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader, U.S. Senate
Washington, DC 20510

Dear Speaker McCarthy, Leader Schumer, Leader McConnell, and Leader Jeffries,

On behalf of the American Case Management Association (ACMA), and our more than 40,000 members/subscribers across the United States, we would like to share recommendations for protecting proper access to care for our patients as we transition out of the public health emergency (PHE). Now is the time to permanently address and fix the three-day qualifying hospital stay requirement for skilled nursing care.

ACMA members are nurses, social workers, physicians, educators, administrators, and other professionals responsible for providing case management services in health care delivery systems. The role of case managers is a highly unique position that places our members at the operational forefront of many of the key challenges facing the U.S. health care system, including caring for uninsured patients, anticipating and addressing governmental and private coverage changes, reducing cost, and increasing quality of care.

Case managers effectively navigate these challenges daily on behalf of their patients and their organizations.

Qualifying Hospital Stay Requirement is Outdated

Under current Medicare policy, a beneficiary must have an "inpatient" hospital stay of at least three days for Medicare to cover skilled nursing care. Under outdated Medicare rules, patients who receive hospital care under "observation status" do not qualify for the benefit of skilled nursing care, even if their hospital stay lasts longer than three days and even if their care team prescribes it. These patients are either forced to return home without the treatment they have been prescribed, or as often happens, are faced with the challenge of privately paying for their stays in a skilled nursing facility (SNF). These patients can easily accrue tens of thousands of dollars in SNF bills, and recent research suggests that this policy disproportionately impacts those who can least afford it.

Effects of the Pandemic

Since 2020, one of the effects to Medicare during the Covid-19 public health emergency (PHE) has been a relaxation of the 3-day qualifying stay requirement. In effect, this change of rules allows



Skilled Nursing Facilities the option to apply the Three-Day Prior Hospitalization waiver in order to provide Medicare Part A services without a qualifying hospital stay.

The absence of a 3-day qualifying stay has allowed patients to receive necessary treatments within skilled nursing facilities regardless of spending any time in the hospital. The public health emergency has made it possible to examine the positive effects of this change. The ability to refer patients to proper care regardless of their time in the hospital has allowed for greater continuity of care, saves the taxpayers' money by releasing patients earlier from hospitals, and results in less crowding within hospitals. Nursing Home Care Compare data demonstrates that rehospitalizations and emergency department visits for short stay residents remained steady from 2019-2022 and rates of improvements in functioning increased, indicating a 3-day inpatient hospital stay is not a meaningful requirement.

Act Now to Eliminate the Three-Day Qualifying Stay Requirement

The public health emergency is set to expire on May 11, 2023, at which time patients would once again be required to stay in the hospital for three days to receive covered inpatient care if this change is allowed to lapse. Hospitals are encouraged to drive costs down by focusing on providing efficient care. This is at odds with a requirement that targets a certain threshold of care in one setting to qualify for a totally different type of care in a different setting. This is an expensive toll on the Medicare system as hospital beds remain in high demand. It is imperative that patients be given the option to receive necessary medical care without arbitrary stays at the hospital.

It is clear over the course of the pandemic that we have seen the great benefit in no longer requiring a three-day qualifying stay. We strongly urge Congress to permanently eliminate the outdated three-day qualifying hospital stay requirement.

Thank you for taking the time to review our recommendations. ACMA stands ready to provide guidance during this time of transition.

Sincerely,

L. Greg Cunningham
CEO

Cc:

Chair and Ranking Member, House Energy, and Commerce
Committee Chair and Ranking Member, House Ways and Means Committee
Chair and Ranking Member, Senate Finance Committee