

April 21, 2015

The Honorable Joe Courtney
United States House of Representatives
2348 Rayburn House Office Building
Washington, DC 20515

Dear Representative Courtney:

The Society of Hospital Medicine (SHM), representing the nation's 40,000 hospitalists, is pleased to offer continued support for the "Improving Access to Medicare Coverage Act of 2015." This bill addresses a growing problem faced by Medicare beneficiaries who are placed in observation status instead of being formally admitted to the hospital as inpatients.

The acuity of patients being placed in observation status has increased significantly over the last several years, and these patients generally receive care that is indistinguishable from the care received by inpatients. Despite this fact, the Medicare statute requires that patients have at least three consecutive days of inpatient status to qualify for Medicare-covered care in a skilled nursing facility (SNF). Beneficiaries who are not classified as inpatients do not have their subsequent stays in SNFs covered by Medicare.

Hospitalists care for more hospitalized patients, including a large number of Medicare beneficiaries, than any other physician specialty and see firsthand how the current policy can negatively impact patients and the Medicare system overall. Patients who are admitted with observation status often choose to return home rather than paying out-of-pocket for a SNF stay. The resultant lack of appropriate post-acute SNF care can result in additional problems such as dehydration, falls and many other avoidable complications. These complications can not only lead to otherwise preventable readmissions but also increase costs to Medicare for the treatment of conditions that were not present at the time of the original hospital stay.

The "Improving Access to Medicare Coverage Act" amends the Medicare statute's definition of "post-hospital extended care services" to clarify that Medicare beneficiaries in observation are deemed inpatients in the hospital for the purposes of meeting the three-day stay requirement for Medicare-covered SNF care. These changes will help ensure that Medicare beneficiaries receive necessary SNF coverage when their physician determines the need rather than as dictated by Medicare rules and the status of their hospital stay.

Thank you on behalf of hospitalists and the patients we care for. We look forward to working with you to secure passage of this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Harrington, Jr.", with a stylized flourish at the end.

Robert Harrington, Jr, MD, SFHM
President
Society of Hospital Medicine