

Commonwealth of Massachusetts

Executive Office of Health and Human Services



Waiver of Medicare Three-Day Rule

April 29, 2013



EOHHS

Agenda

- Statutory mandate
- Background
- Proposed next steps
- Discussion



Statute

- Notwithstanding any general or special law to the contrary, the executive office of health and human services shall seek from the secretary of the United States Department of Health and Human Services an exemption or waiver from the Medicare requirement set forth in 42 U.S.C. §1395x(i) that an admission to a skilled nursing facility be preceded by a 3-day hospital stay
-Section 245 of Ch. 224 of the Acts of 2012



Background

- “In order to qualify for post-hospital extended care services, the individual must have been an inpatient of a hospital for a medically necessary stay of at least three consecutive calendar days.” 42 U.S.C. §1395x(i)
- Observation status does not count
- Time in the ER is not included



Goals of seeking a waiver

- The right care in the right setting:
 - High quality care that is most appropriate for the patient's needs
 - Cost efficiency
 - Patient satisfaction



EOHHS

Programs not subject to 3-day rule

- Medicare Advantage Plans
- Senior Care Options and Integrated Care Organizations
- Medicare Care Management for High-Cost Beneficiaries pilot



Limited data on impact of waiver of 3 day rule

- MGH Care Management Program shows promising results (for overall package of interventions)
- No states have waivers*



Proposed next steps

- Draft letter to CMS requesting a waiver
- Letter would include following rationale for seeking a waiver:
 - A waiver would allow patients to avoid unnecessary hospitalization and to obtain the appropriate level of care
 - A waiver has the potential to reduce costs
- Letter would describe our state's experience with caring for Medicare patients in programs not subject to the three-day rule, including:
 - Senior Care organizations
 - Medicare Advantage Plans
 - MGH Care Management Program



Proposed next steps, cont.

- Letter would propose demonstration that would include the following elements:
 - Involve Medicare FFS patients
 - Last for 3-5 years
 - Incorporate guidelines for eligible admissions and participating providers
 - Clinical criteria
 - Communication standards between providers
 - Evaluation and monitoring activities
- Letter would request collaboration to further develop details of such a program
- Anticipate sending letter by June



Discussion

- What patients should be eligible for admission to SNF without a preceding 3 day stay?
 - Four criteria: medically stable, clear and confirmed diagnosis, does not require further hospital-based evaluation and treatment, has a defined skilled or rehab need (with a clear endpoint) that cannot be provided in a home setting



Discussion

- What should be the participation criteria for providers (outpatient, inpatient acute, post-acute)?
 - Communication about transfer
 - Status updates
 - Discharge communication
 - Should EHR capability be considered?
 - Other?



Discussion

- What elements are needed for evaluation and monitoring that will enable us to demonstrate whether goals are met, without unintended consequences?
 - Monitor number of post-acute admissions under waiver
 - Monitor length of stay
 - Monitor hospitalization/rehospitalization rate
 - Assess patient and provider satisfaction
 - Overall utilization of hospital days and post-acute services
 - Measure cost savings (how?)
 - Measure patient satisfaction
 - Other?