

United States Senate

WASHINGTON, DC 20510

Eliminate Unnecessary Barriers to Medicare Coverage Co-sponsor the *Improving Access to Medicare Coverage Act*

Dear Colleague:

Hospitals are increasingly caring for Medicare beneficiaries on “outpatient observation status” rather than admitting them as an “inpatient”—a billing technicality. As a result, many Medicare beneficiaries and their families are being saddled with insurmountable out-of-pocket costs for stays at skilled nursing facilities (SNF) solely because of the classification of their referring hospital stay.

While the classification of a hospital stay does not affect the level of care a beneficiary receives, it has significant financial repercussions for patients and their families simply due to how Medicare covers SNF care. Under current law, Medicare will only cover SNF benefits if the patient had three consecutive days of hospitalization as an “inpatient,” not counting the day of discharge.

In 2013, both the HHS Office of the Inspector General and the Long Term Care Commission urged the Centers for Medicare & Medicaid Services (CMS) to consider ways to “ensure that beneficiaries with similar post hospital care needs have the same access to and cost sharing for SNF services,” including the request to count time spent in observation status toward meeting CMS’s three day stay requirement. This urging led to the 2015 *NOTICE Act*, which now requires hospitals to inform Medicare patients of their observation status through Medicare Outpatient Observation Notices, or “MOONs.” But the *NOTICE Act* legislation is not enough to ensure affordable SNF care for our seniors.

Our bipartisan, bicameral legislation, the *Improving Access to Medicare Coverage Act*, would address these issues by allowing observation stays to be counted toward the three-day mandatory inpatient stay for Medicare coverage of SNF services. The legislation has been endorsed by more than 30 organizations, including: AARP, American Case Management Association, American Health Care Association, Center for Medicare Advocacy, LeadingAge, National Association of Elder Law Attorneys, National Consumer Voice for Quality Long-Term Care, and the Society of Hospital Medicine.

We ask that you help us eliminate this unnecessary financial hardship on Medicare beneficiaries and their families by cosponsoring the **Improving Access to Medicare Coverage Act**. In times of sickness, patients and their families should not have to worry about their hospital billing classification status and whether or not Medicare will reimburse their care. For more information or to cosponsor, please contact Abigail Duggan (Abigail_Duggan@brown.senate.gov) or Amy Pellegrino (Amy_Pellegrino@aging.senate.gov).

Sincerely,



Sherrod Brown
United States Senator



Susan M. Collins
United States Senator



Sheldon Whitehouse
United States Senator



Shelley Moore Capito
United States Senator