

Three-Day Inpatient Hospital Stay Requirement for Care in a Skilled Nursing Facility Admission Waiver

Today, Medicare rules state that a beneficiary is eligible for inpatient skilled nursing care or rehabilitative services in a skilled nursing facility (SNF) only when the beneficiary has been admitted to the hospital as an inpatient (i.e., not observation status or in the emergency department) for no fewer than 3 consecutive days. This requirement is referred to as the “SNF 3-Day Rule”. Medicare’s Next Generation Accountable Care Organization (NGACO) Model features a waiver of this SNF 3-Day Rule and allows patients whose doctors participate in the NGACO Model to be admitted to a SNF directly from their home, a doctor’s office, or if they have fewer than three consecutive inpatient days in the hospital. For more details about this waiver, please find information below in the frequently asked questions (FAQ) section.

The SNF 3-Day Rule Waiver & What it Means for You

Q1. How do I know if I am a beneficiary associated with a Next Generation ACO and if I can receive this benefit?

A1. Medicare beneficiaries who receive care from a doctor participating in a Next Generation ACO should receive a letter from the ACO notifying them that they are associated with the ACO. If the beneficiary’s doctor (or a number of his or her doctors) participates in the Next Generation ACO, then the beneficiary may be associated to the ACO and may be eligible for this SNF 3-Day Rule waiver. You can also call 1-800-MEDICARE to ask whether you are associated to a Next Generation ACO.

Q2. What is a skilled nursing facility (SNF)?

A2. A SNF is a type of medical institution that is primarily engaged in providing skilled nursing care and related services to its residents who require medical or nursing care, or skilled rehabilitation services for the rehabilitation of injured, disabled, or sick persons. A SNF may be part of a hospital, such as a critical care hospitals (CAHs), or part of a hospital’s extended care wing, also referred to as a swing-bed hospital.

Q3. How do I know if a SNF is partnering with a Next Generation ACO in this benefit?

A3. Your Next Generation ACO is required to maintain a website with a current list of providers

and facilities participating in the ACO's care network. You can also ask your doctor if they are participating in a Next Generation ACO and whether they are referring you to a SNF that is participating in this benefit with the ACO.

Q4. How do I know if I am eligible to use this SNF 3-Day Rule benefit?

A4. You are eligible to use this benefit if you do not reside in a nursing home or SNF for long-term care at time of admission to the SNF and you meet all other CMS criteria for SNF admission, including:

- being medically stable;
- having confirmed diagnoses;
- not requiring an inpatient hospital evaluation or treatment; and
- having an identified skilled nursing or rehabilitation need that cannot be provided on an outpatient basis or through home health services.

If you meet this criteria along with being associated with a Next Generation ACO, your doctor may admit you to an approved SNF for services without a prior 3-days inpatient hospitalization.

Q5. What is an approved SNF?

A5. An approved SNF is one that is participating with a Next Generation ACO and has an overall rating of three or more stars under the CMS 5-Star Nursing Home Quality Rating System when CMS conducts its annual SNF eligibility review. For more information about the star rating system you can visit the following web page: <https://www.cms.gov/medicare/provider-enrollment-and-certification/certificationandcompliance/fsqrs.html>.

Q6. This service sounds great, how much does it cost?

A6. Medicare SNF service costs (e.g., co-payments) remain the same with or without this waiver. For more information, please visit the Medicare Part A coverage and costs website at: <https://www.medicare.gov/your-medicare-costs/part-a-costs/part-a-costs.html>.

Q7. I'm covered under Medicare – does this limit my choice of doctors and hospitals?

A7. You still have your choice of doctors and hospitals, but this waiver applies only to associated beneficiaries who meet the clinical eligibility criteria and receive their care from a SNF partner of

a Next Generation ACO. If you choose a SNF or other facility that your ACO does not have an agreement with, the normal Medicare rules apply including the requirement for a 3-day inpatient hospital stay before you can be admitted to a SNF.

For more information about the Medicare skilled nursing care benefit click on the links:

<https://www.medicare.gov/coverage/skilled-nursing-facility-care.html> and

<https://www.medicare.gov/Pubs/pdf/10153.pdf>.