WHEREAS, Preadmission Screening and Resident Review (PASRR) is a federal requirement, which was originally enacted as part of the Nursing Home Reform Act under the Omnibus Reconciliation Act of 1987 (OBRA), designed to protect patients with serious mental illness or intellectual disabilities from lack of access to proper mental health care services and from possible inappropriate admission and retention in nursing facilities; and

WHEREAS, Although states are required to have a PASRR program whereby applicants to Medicaid-certified nursing facilities receive a comprehensive mental health assessment if they are identified as having a serious mental illness or intellectual disability, there is much variation in how PASRR is implemented across states; and

WHEREAS, This screening process is comprised of two steps--a Level I screening to identify individuals with a PASRR disability and a Level II screening if the Level I screening indicates an individual may have a serious mental illness or intellectual disability; and

WHEREAS, The results of the Level II evaluation provide recommendations pertaining to need, appropriate care setting, and necessary specialized services; and

WHEREAS, The completion time for Level II screening can take up to four to five business days; and

WHEREAS, Coverage under Medicare Part A funding for a skilled nursing facility (SNF) stay has necessitated a three-day hospital stay in the past, often leading to unnecessarily prolonged lengths of stay for acute inpatient hospitalizations with resultant increases in the total cost of care for many patients; and

WHEREAS, The development of several payment models such as the Bundled Payment Care Improvement Initiative, Medicare Shared Savings Program Accountable Care Organizations, and other Alternative Payment Models under the Medicare Access and CHIP Reauthorization Act of 2015 has led to a potential waiver of the three-day stay to allow more timely transfer of patients requiring SNF services (sub-acute rehabilitation or long-term care) with a possible reduction in the total cost of care for many patients; and

WHEREAS, The need for the completion of the PASRR screening prior to admission to a SNF essentially invalidates the potential for more immediate transfers to SNFs from emergency rooms, physicians’ offices, or even other levels of care within the continuum of a nursing facility; therefore be it
RESOLVED, That our American Medical Association work with the US Department of Health and Human Services and Congress to amend applicable statutes and regulations to revise the Preadmission Screening and Resident Review requirement for nursing facility placement to provide more consistent enactment among states and to allow more reasonable and cost-effective approaches to this mandatory screening process. (Directive to Take Action)

Fiscal Note: Not yet determined

Received: 09/29/17

RELEVANT AMA POLICY

Direct Admission of Medicare Patients to Skilled Nursing Facilities H-280.977
Our AMA supports regulatory change and any necessary legislation which would delete the 3-day prior hospitalization requirement for provision of skilled nursing facility benefits under Medicare, so as to allow coverage for direct admission of Medicare patients to a skilled nursing facility whether or not they have been discharged from an acute care hospital within the last 30 days.

Citation: (Res. 33, A-91; Res. 48, I-81; Reaffirmed: CLRPD Rep. F, I-91; CMS Rep. 11, I-95; Reaffirmation A-97; Reaffirmation I-00; Reaffirmed: Res. 730, A-06; Reaffirmed: Res. 234, A-09; Reaffirmed: BOT Rep. 32, A-09; Reaffirmation A-11; Reaffirmation A-15)

Three Day Stay Rule H-280.947
1. Our American Medical Association will continue to advocate that Congress eliminate the three-day hospital inpatient requirement for Medicare coverage of post-hospital skilled nursing facility services, and educate Congress on the impact of this requirement on patients.
2. Our AMA will continue to advocate, as long as the three-day stay requirement remains in effect, that patient time spent in the hospital, observation care or in the emergency department count toward the three-day hospital inpatient requirement for Medicare coverage of post-hospital skilled nursing facility services.
3. Our AMA will actively work with the Centers for Medicare and Medicaid Services (CMS) to eliminate any regulations requiring inpatient hospitalization as a prerequisite before a Medicare beneficiary is eligible for skilled (SNF) or long-term care (LTC) placement.

Citation: (Sub. Res. 103, A-15; Res. 110, A-15)

Inclusion of Observation Status in Mandatory Three Day Inpatient Stay D-280.989
1. Our AMA will continue to monitor problems with patient readmissions to hospitals and skilled nursing facilities and recoding of inpatient admissions as observation care and advocate for appropriate regulatory and legislative action to address these problems.
2. Our AMA will continue to advocate that the Centers for Medicare & Medicaid Services explore payment solutions to reduce the inappropriate use of hospital observation status.

Citation: (BOT Rep. 32, A-09; Appended: CMS Rep. 4, A-14)

Observation Status and Medicare Part A Qualification D-280.988
Our AMA will advocate for Medicare Part A coverage for a patient's direct admission to a skilled facility if directed by their physician and if the patient's condition meets skilled nursing criteria.

Citation: (Res. 117, A-13; Reaffirmed: CMS Rep. 4, A-14; Reaffirmation A-15)

Three Day Prior Hospital Stay Requirement H-330.948
Our AMA will recommend that the Secretary of the U.S. Department of Health and Human Services, in consultation with health care professionals and skilled care providers, define a subset of patients (or DRGs) for whom the elimination of the three day prior hospital stay requirement for eligibility of the Medicare Skilled Nursing Facility benefit would avert hospitalization and generate overall cost savings.

Citation: (Res. 805, I-93; Reaffirmation A-97; Reaffirmation I-00; Reaffirmation A-04; Reaffirmed: Res. 234, A-09; Reaffirmation A-11)