



FOR IMMEDIATE RELEASE

June 2, 2021

Contact:

Kelly Loussedes

Senior Vice President of Public Relations
(202) 595-3074 or kloussedes@nahu.org

NAHU Applauds Bipartisan Support to Eliminate Medicare's Observation Status Rule

Washington, D.C. — The National Association of Health Underwriters (NAHU) commends House of Representatives members Suzan DelBene (D-WA), Ron Estes (R-KS), Joe Courtney (D-CT) and Glenn Thompson (R-PA) for taking the lead on introducing bipartisan legislation (H.R. 3650) to eliminate Medicare's three-day mandatory inpatient stay rule for a skilled nursing center. The *Improving Access to Medicare Coverage Act* addresses Medicare's "two midnight" policy.

"At issue is the requirement for Medicare beneficiaries to spend at least three days in the hospital on an inpatient basis in order to receive their 100 days of covered skilled-nursing services," explained NAHU CEO Janet Trautwein. "Hospitals have increasingly admitted seniors on an 'observation status' basis and not as an inpatient, which is an important technical distinction that is generally indistinguishable to hospital patients but can lead to extremely costly Medicare denials.

"These archaic policies are leading patients who are extremely sick and need skilled nursing care to not qualify for paid Medicare skilled-nursing centers and for others to later have their admission status changed so that their care is now billed to them and not Medicare.

"NAHU members have had countless clients go through this horrible experience and end up paying high out-of-pocket charges since they were considered to be on observation status, and Medicare did not cover their necessary skilled nursing facility care. Often, these seniors did not even know they were on observation status.

"It is simply not right to limit access to quality care for those seniors who need it most. The Centers for Medicare & Medicaid temporarily suspended this practice due to the pandemic and now is the time for Congress to pass legislation that addresses this issue once and for all."

###

The National Association of Health Underwriters represents 100,000 professional health insurance agents and brokers who provide insurance for millions of Americans. NAHU is headquartered in Washington, D.C. For more information, visit www.nahu.org.