

Support for Long-Term Care Hospitals

THE ISSUE

Long-term care hospitals (LTCH) are required by the Medicare program to have an average length of stay of greater than 25 days. In 2004, and most recently in 2011, the Medicare Payment Advisory Commission recommended that the Centers for Medicare & Medicaid Services (CMS) establish additional patient

and facility criteria to better define LTCHs. In 2007, the *Medicare, Medicaid and S-CHIP Extension Act* added some very basic LTCH criteria, and called for more comprehensive criteria recommendations from CMS. To date, CMS has not recommended patient and facility criteria for LTCHs.

AHA POSITION

The AHA supports the *Long-Term Care Hospital Improvement Act of 2011, S. 1486*, introduced by Sens. Pat Roberts (R-KS) and Bill Nelson (D-FL), which would implement new patient and facility criteria and alleviate the negative impact of the “25% Rule.”

WHY?

Congress should establish patient and facility criteria to distinguish LTCHs from other provider settings. S. 1486 reflects input from a balanced cross-section of LTCH leaders and other hospital experts, and would ensure that the right patients are treated in LTCHs.

KEY FACTS

Patient Criteria. Patient criteria ensure that all potential LTCH patients are screened prior to admission through a standardized process that requires physician sign-off before a patient can advance to the LTCH for physician examination. Under S. 1486, all new patients would be examined by an LTCH physician during the first 24 hours after admission to assess whether LTCH-level care is reasonable and necessary for the patient. Physician attestation that the patient meets the criteria would be required for LTCH care to proceed. LTCH patients would then be examined on a weekly basis by a physician to validate whether the patient’s condition continues to require hospital-level care.

Facility Criteria. Facility criteria would establish common requirements for the programmatic, personnel and clinical

operations of an LTCH. In addition, LTCHs would be required to prove that 70 percent of patients meet criteria that demonstrate that LTCHs focus on treating medically complex patients and patients requiring extended stays.

LTCH 25% Rule. In the absence of LTCH criteria, CMS instituted the “25% Rule” in 2004 to control access to LTCH services. The rule, along with the very short-stay outlier policy and CMS’s planned budget-neutrality adjustment, are blunt payment policies that should be replaced with criteria based on patients’ clinical needs. S. 1486 would replace these policies with patient and facility criteria that clarify the specific and unique role of LTCHs in the continuum of care, ensure LTCHs are treating high medical acuity patients, and bring uniformity to the LTCH field.