



**PHOENIX  
MEDICAL**  
MANAGEMENT INC.



## **What Case Managers Should Know About the 3-Day Rule for SNF Stays**

The COVID-19 Public Health Emergency (PHE) is scheduled to end on May 11, 2023. When this occurs, the waiver for the Qualifying Hospital Stay (3-Day Stay) also ends—reinstating the 3-day inpatient requirement to qualify for Medicare A coverage of a Skilled Nursing Facility (SNF).

The 3-day stay is based on the time of the order for inpatient; the patient must pass three midnights of continued, medically necessary inpatient hospital care to qualify for skilled nursing placement.

Case managers need to resume tracking their Traditional Medicare patients if identified as potential skilled nursing placement. We caution relying on the SNF to authorize the stay as they may not know the exact date and time of the inpatient order.

Things to consider as this rule is reinstated:

- ✓ This is a CMS rule for traditional Medicare patients.
- ✓ Medicare Advantage (MA) plan has specifications in their contract and provider manual that may allow the transfer of patients to skilled placement regardless of the 3-day rule or even the requirement of inpatient admission.
- ✓ Case managers should also be aware of the 30-day and 60-day benefit periods that apply to the qualification of the 3-day stay.
  - Patients who have a break in skilled care that lasts more than 30 days will need a new 3-day hospital stay to qualify for additional SNF care
  - The new hospital stay doesn't need to be in the same condition that they were treated for during the previous stay
  - For patients that do not have a 30-day break in skilled care, then the 3-day stay rule does not apply

As a reminder, patients with high utilization of SNF placement must be out of acute care for 60-days for their benefits to restart. There can be a significant financial impact to those patients that lose this coverage.

Case managers need to stay informed on any changes or updates related to the COVID-19 PHE and its impact on healthcare services. As the situation evolves, new information or changes that affect patient care and case management processes may become available.

**Key Takeaways:**

- The 3-day inpatient requirement to qualify for Medicare A coverage of a Skilled Nursing Facility (SNF) will be reinstated due to the end of the Public Health Emergency which is scheduled to end on May 11, 2023
- Case managers need to resume tracking their Traditional Medicare patients if identified as potential skilled nursing placement.
- The 3-day rule for inpatient stay applies to traditional Medicare patients. Medicare Advantage plans are not required to follow.
- Ensure awareness of the 30-day and 60-day benefit periods that apply to the qualification of the 3-day stay as financial impact to the patient if requirements are not met.
- Partnership with Utilization Management is vital to minimizing the risk of denials or reimbursement delays.

**Useful Tips:**

- Develop a tip sheet for new providers who were not in practice when the rules changed or not aware that rules are returning.
- Present this information at your UR committee meeting and service line meetings.
- Collaborate with your UR team who may understand the payer rules related to these changes.
- Consider patient/family education regarding these changes.
- Work with your emergency room case management team to ensure they are addressing alternatives for patients with potential avoidable admissions or within the 60-day window.