

Senate Joint Resolution No. 8

RESOLUTION CHAPTER 135

Senate Joint Resolution No. 8—Relative to Medicare.

[Filed with Secretary of State August 20, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SJR 8, Hernandez. Medicare: observation status.

This measure would urge Congress and the President of the United States to reform the short stay admissions criteria for Medicare beneficiaries and to discontinue the two-midnight policy.

WHEREAS, The federal Centers for Medicare and Medicaid Services set rules for hospital stays for Medicare beneficiaries; and

WHEREAS, These rules govern admissions for the elderly, our most vulnerable patient population; and

WHEREAS, Federal guidelines drive physician habits and hospital policy as Medicare is the largest purveyor of health care in the state; and

WHEREAS, The federal Centers for Medicare and Medicaid Services' guidelines state that patients are not to be formally admitted as a hospital inpatient unless the physician expects the patient's condition to warrant a stay of at least two nights; and

WHEREAS, This "two midnight" determination creates arbitrary decisions for hospital admissions that are not based on the clinical condition of the patient but rather an expected length of stay; and

WHEREAS, Hospital admission decisions should be made by a licensed physician, assessing the appropriate care for the patient and not an arbitrary time-driven guideline; and

WHEREAS, The two-midnight policy has caused many seniors to be kept in "observation status" without formal admission as a hospital inpatient; and

WHEREAS, These patients believe they have been admitted as a hospital inpatient when in fact they have not, leading to confusion for both the patient and their family; and

WHEREAS, Medicare will not pay for skilled nursing facility care unless a senior has been admitted as a hospital inpatient for at least three days; and

WHEREAS, The observation policy, which resulted from the federal Centers for Medicare and Medicaid Services' guidelines, has denied seniors the appropriate criteria for admission to skilled nursing facilities because time spent in "observation status" does not count as a qualifying hospital admission; and

WHEREAS, The observation stay practice is not in the best interests of patients, hospitals, and health care professionals; now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature respectfully urges Congress and the President of the United States to reform the short stay admissions criteria to more accurately reflect the clinical needs of a patient as determined by a physician and to discontinue the two-midnight policy that is currently in place; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, and to each Senator and Representative from California in the Congress of the United States.