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HOUSE BILL PROPOSES BUNDLED PAYMENTS AND READMISSION PENALTIES FOR NURSING HOMES

The House of Representatives recently proposed legislation that would bundle payments for post-acute care services and create penalties for readmissions to Medicare-certified nursing homes. The proposed legislation would also reduce the annual market basket index for Skilled Nursing Services.

The bundled payment for comprehensive post-acute care services would be based on a "bundle period," which was not defined in the proposed legislation but will be based on the patient's condition. The payment would initially go to the post-acute care provider that provides services after a qualifying hospital stay. The bundled payment may be adjusted to account for the number, type and duration of visits provided during the post-acute bundle period. It would also take into account the mix of services, the cost of those services and other unique patient characteristics.

The House legislation would also provide for readmission penalties to nursing homes similar to those that already exist for hospitals. The readmission penalties would apply to specified conditions if a resident is readmitted to a hospital, and the nursing home will be assessed a reduction in reimbursement.

If you have questions or concerns regarding the foregoing or would like additional information, please contact Todd Selby at tsselby@hallrender.com or 317.977.1440, Brian Jent at bjent@hallrender.com or 317.977.1402, David Bufford at dbufford@hallrender.com or 502.568.9368 or your regular Hall Render attorney.