To The Editor:

The March 30, 2010, McKnight's Online featured an article originally published in the Washington Post titled, “Review Heightens Concerns Over Medicare Billing at Nursing Home.” This article paints a negative, incomplete picture of the growing role and tangible benefits associated with skilled nursing facility (SNF) patient care, and ignores the central fact SNFs are caring for higher acuity patients while also saving tax dollars.

In fact, research produced by Avalere Health, LLC in 2009 showed that the Medicare program saved $1.7 billion in 2006 and 2007 for patients because of the shift into lower cost settings such as Skilled Nursing Facilities.  This is tremendous saving to the Medicare program because SNFs represent a lower cost provider of high quality care.

Further, the headline and premise of the story itself suggests so-called “up coding” is somehow a standard means of over-billing Medicare. This is irresponsible and inaccurate. In fact, facilities have become more specialized in the care and services they provide, with some taking the most highly acute patients – many of whom fall into the upper range of the continually-evolving patient classification system.

Facilities must use specific regulatory tools to provide patient assessment, which then reflects the level of reimbursement. Any suggestion that facilities are able to bill any way that they wish are simply false and misguided.

With health care reform passed, we must further rationalize the Medicare post-acute system, which structures payment based on site of service rather than patient need. It is our view that payment should indeed be based primarily on patient need regardless of care setting, and policies should encourage movement into the lowest cost setting capable of providing high quality care and services. America would be well served by engaging this facet of the health policy debate.

Signed,

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