



Leadership Council of Aging Organizations

Barbara B. Kennelly, Chair

September 17, 2010

The Honorable Joe Courtney
United States House of Representatives
Washington, DC 20515

Dear Representative Courtney:

The Leadership Council of Aging Organizations (LCAO) – a coalition of national not-for-profit organizations representing 60 million older Americans – is pleased to support H.R. 5950, the "Improving Access to Medicare Coverage Act of 2010." This bill will address the current problems caused by Medicare beneficiaries being placed in observation status rather than being admitted to the hospital.

"Observation" is the term used to describe the outpatient status of a patient who is in a hospital, but not as an inpatient. Although Medicare rules limit observation to 24-48 hours, many older people and people with disabilities nationwide are experiencing extended stays in acute care hospitals under observation. One major consequence for beneficiaries of not being classified as an inpatient is that their subsequent stays in a skilled nursing facility (SNF) are not covered by Medicare. Additionally, the prescriptions they take while in the hospital in observation status are not paid for, as they would be if the beneficiaries were inpatients.

H.R. 5950 amends the Medicare statute's definition of "post-hospital extended care services" to clarify that people in extended hospital stays are deemed inpatients in the hospital. Under the language of the bill, someone who is in the hospital under observation status for more than 24 hours would be deemed to have been an inpatient during that time period, and would be considered to have been discharged upon leaving the hospital. The bill would apply retroactively to periods of observation status that began on or after January 1, 2010, but only to those who appeal the prior services in question within 90 days of the passage of the Act. These changes will help ensure that Medicare beneficiaries receive the hospital, SNF, and prescription drug benefits to which they are entitled under Medicare Part A.

We thank you on behalf of the older Americans we represent. We look forward to working with you to secure passage of this legislation.

Sincerely,

AFSCME Retirees
American Association of Homes and Services for the Aging
American Federation of Teachers Program on Retirees
American Society on Aging

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Center for Medicare Advocacy
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National Association of State Long-Term Care Ombudsmen
National Association of States United for Aging and Disabilities
National Caucus and Center on Black Aged, Inc.
National Committee to Preserve Social Security and Medicare
National Consumer Voice for Quality Long-Term Care
National Council on Aging
National Osteoporosis Foundation
National Senior Citizens Law Center
OWL- the Voice of Midlife and Older Women
PHI-Quality Care through Quality Jobs
Service Employees International Union
Women's Institute for a Secure Retirement

CC Members of the United States House of Representatives