112TH CONGRESS  
1ST SESSION  

S. ______

To amend title XVIII of the Social Security Act to count a period of receipt of outpatient observation services in a hospital toward satisfying the 3-day inpatient hospital requirement for coverage of skilled nursing facility services under Medicare.

IN THE SENATE OF THE UNITED STATES

Mr. KERRY (for himself and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on __________

A BILL

To amend title XVIII of the Social Security Act to count a period of receipt of outpatient observation services in a hospital toward satisfying the 3-day inpatient hospital requirement for coverage of skilled nursing facility services under Medicare.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Improving Access to
5 Medicare Coverage Act of 2011”.

SEC. 2. COUNTING A PERIOD OF RECEIPT OF OUTPATIENT
OBSERVATION SERVICES IN A HOSPITAL TOWARD THE 3-DAY INPATIENT HOSPITAL RE-
QUIREMENT FOR COVERAGE OF SKILLED
NURSING FACILITY SERVICES UNDER MED-
CARE.

(a) IN GENERAL.—Section 1861(i) of the Social Se-
curity Act (42 U.S.C. 1395x(i)) is amended by adding at
the end the following: “For purposes of this subsection,
an individual receiving outpatient observation services
shall be deemed to be an inpatient during such period,
and the date such individual ceases receiving such services
shall be deemed the hospital discharge date (unless such
individual is admitted as a hospital inpatient at the end
of such period).”.

(b) EFFECTIVE DATE.—The amendment made by
subsection (a) shall apply to receipt of outpatient observa-
tion services beginning on or after January 1, 2011, but
applies to a period of post-hospital extended care services
that was completed before the date of the enactment of
this Act only if an administrative appeal is or has been
made with respect to such services not later than 90 days
after the date of the enactment of this Act. Notwith-
standing any other provision of law, the Secretary of
Health and Human Services may implement such amend-
1 ment through an interim final regulation, program in-
2 struction, or otherwise.