

MEDICARE BENEFIT PERIODS UNDER PDPM

ISSUE ALERT

Benefit Periods. Medicare covers up to a maximum of 100 days of skilled nursing facility (SNF/nursing home) care in each benefit period. A benefit period begins on the first day that a nursing home resident receives services and ends when the resident has not received inpatient hospital or nursing home services for at least 60 consecutive days. Residents may have multiple benefit periods in a single year but must meet all of the necessary Medicare coverage criteria (such as a three-day inpatient hospital stay) in order to start a new benefit period.

Note: Medicare Advantage plans may differ. Check with your plan for more information.

Multiple Stays in One Benefit Period. Nursing home residents may have their Medicare coverage terminated or may be discharged from the nursing home before using all allowable days in their benefit period. In such cases, residents may resume their benefit period if the nursing home (or a different nursing home) restarts skilled care or readmits the resident within 30 days of the termination or discharge date. A resident who has not received skilled care or has been discharged for more than 30 days, but less than 60 days, may resume a benefit period after a new three-day inpatient hospital stay.

Medicare Payment. On October 1, 2019, the Centers for Medicare & Medicaid Services (CMS) implemented a new payment model, the [“Patient Driven Payment Model”](#) (PDPM), for Medicare-covered nursing home care. The model has a declining per-day payment rate over the length of a resident’s stay. Thus, nursing homes are likely to receive less money for services on Day 21, for example, than on Day 1. In order to mitigate a nursing home’s incentive to discharge and readmit a resident to reset the payment rate, CMS has adopted an “Interrupted Stay” policy. [According to CMS](#), an interrupted stay occurs when a beneficiary is “discharged from SNF care and subsequently readmitted to the same SNF (not a different SNF) within 3 days or less after the discharge” In these cases, Medicare payment resumes from the day of discharge (e.g., Day 21).

PDPM’s Impact on Benefit Periods. PDPM should have no impact on a resident’s ability to resume his or her Medicare benefit period. **The interrupted stay policy affects Medicare payment, not Medicare coverage.** Any facility that blocks a resident from resuming a benefit period on the basis of the interrupted stay policy is applying the wrong standard.

Additional PDPM Resources:

1. [Issue Alert: Medicare Skilled Therapy under PDPM](#)
2. [Fact Sheet: Nursing Home Therapy Services](#)