

Hospital short stay policy issues

ISSUE: As inpatient stays have shortened and some inpatient services have migrated to the outpatient setting in recent years, the issue of whether a patient requires inpatient care or could be treated successfully as an outpatient has received increasing attention. The high profitability of one-day stays under Medicare's inpatient payment system and difference in payment rates between similar inpatient and outpatient stays has heightened concern about the appropriateness of one-day inpatient stays.

KEY POINTS: The Commission has developed draft recommendations in several policy areas related to short hospital stays.

ACTION: Commissioners should provide feedback at the April meeting in preparation for a vote on the draft recommendations.

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