

Dear Patient,

It has come to Dr. Israelsen's attention that there is confusion concerning what Medicare will cover for inpatient rehabilitation services post-surgery. He has asked that this issue be clarified, so that you are able to make informed discharge plans prior to your surgery. In the last few years, Medicare has decided that hip and knee replacements are no longer inpatient-only procedures. Medicare has determined that the majority of hip and knee replacements are done as outpatient/observation. Medicare also states that for them to pay for inpatient rehabilitation services you must have a medically necessary three-night stay in the hospital. This is generally only achieved if there is a complication or unforeseen situation making a patient temporarily UNSTABLE that occurs after the procedure, or during the stay that is not expected. This does NOT apply to chronic and stable medical conditions. This also does NOT apply if you live alone either, as Medicare views this as a "social" situation, not medical. This means that the majority of patients having a semi-elective knee or hip replacement procedure will be observation patients and likely medically able to discharge the next day. If a short stay at The Legacy is desired, please be advised that Medicare will not cover your rehabilitation services at The Legacy at 100%, as some information may state on the Medicare website.

You could still go to The Legacy for rehabilitation under Medicare Part B, but you would have to pay the room and board fee yourself. This is currently \$290/day. Secondary or supplemental insurances do NOT cover this fee. If you do not have a secondary or supplemental insurance, you will also be responsible for copays for your therapy sessions and physician/provider consults. If for some reason, you are not ready to go home from the hospital the day after surgery, the next day, or are recommended to have a higher level of therapy than outpatient or home health status, you might be eligible to go to Elkhorn Rehabilitation Hospital in Casper. Since Elkhorn is an acute rehabilitation hospital, it qualifies for Medicare to pay without a three-night medical hospital stay. You will be transferred to Elkhorn as an inpatient, if you meet criteria and are accepted. This inpatient stay is subject to the normal Medicare Part A coinsurance. The coinsurance cost is submitted to any secondary or supplemental insurance if you have one.

Please understand that these are Medicare rules. Campbell County Health, The Legacy Living and Rehabilitation Center, Dr. Israelsen, nor the CCH Care Managers have any control over Medicare regulations or rules. This is the same for any facility listed as a skilled facility, transitional care unit, or swing bed. They are viewed as the same billing status.

Private, or "commercial" insurance has different rules from Medicare. Dr. Israelsen's office will obtain an authorization for your surgery. If it is determined that you need continued inpatient rehabilitation after your hospital stay, your insurance company will have to approve it. The insurance will not approve a rehabilitation stay in advance, but only after the surgery. Prior to your discharge from the hospital, to the facility, the facility will obtain an authorization from your insurance company. Please remember that the insurance company pays your bill based on your health insurance contract. Please review your benefit booklet prior to surgery so that you will know what is and is not covered by your plan.

We understand that this can be very confusing and frustrating. The Case Managers are here to assist you. You may reach us at 307-688-1541 or 307-688-1375 Monday-Friday. You may also call The Legacy at 307-688-7000. Thank you for your time and for choosing us as your provider.

Sincerely,

Rosanna Knight-Parker, BSN, RN

Case Management Supervisor