



**American Hospital
Association®**

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NEWS RELEASE

ASSOCIATIONS, HOSPITALS CHALLENGE TWO-MIDNIGHT RULE IN FEDERAL COURT

WASHINGTON (April 14, 2014) – The American Hospital Association (AHA) today filed two related lawsuits against the U.S. Department of Health and Human Services (HHS) challenging the ill-advised “two-midnight” rule for inpatient admissions that imposes regulatory burdens that could compromise care for seniors. The AHA is joined by the Greater New York Hospital Association, the Healthcare Association of New York State, New Jersey Hospital Association and the Hospital & Healthcare Association of Pennsylvania. The hospital plaintiffs are Wake Forest University Baptist Medical Center, North Carolina and The Mount Sinai Hospital, New York City, and hospitals that are part of Banner Health and Einstein Healthcare Network, Philadelphia.

The lawsuits contend that several provisions included in the Centers for Medicare & Medicaid Services’ (CMS) final inpatient prospective payment rule for 2014 burden hospitals with unlawful arbitrary standards and documentation requirements and deprive hospitals of proper Medicare reimbursement for caring for patients.

The hospitals take issue with the wholly arbitrary requirement that a physician must certify at the time of admission that a Medicare patient is expected to need care in the hospital for a period spanning two midnights to be considered an inpatient.

“The two-midnight rule undermines medical judgment and disregards the level of care needed to safely treat patients,” said Rich Umbdenstock, president and CEO of the AHA. “Hospitals stand by a

physician's decision on what care is appropriate for each patient.. The two-midnight rule is misguided and we feel confident the court will agree.”

The lawsuits also contend that the 0.2 percent cut in payment for 2014 the agency implemented to offset the increased costs to the Medicare program the agency says are likely to result from the two-midnight rule is arbitrary and should be revoked.

The AHA filed suit in the U.S. District Court for the District of Columbia. For a copy of the complaints, visit <http://www.aha.org/advocacy-issues/legal/legal-amicus-briefs.shtml>.

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About the AHA

The American Hospital Association (AHA) is the national organization that represents and serves all types of hospitals, health care networks, and their patients and communities. Nearly 5,000 hospitals, health care systems, networks, other providers of care and 43,000 individual members come together to form the AHA. Founded in 1898, the AHA provides education for health care leaders and is a source of information on health care issues and trends. For more information, visit the AHA Web site at www.aha.org.