

2025 SNF 3-Day Rule Waiver Program: SNF Participation Guidance

Thank you for your ongoing partnership with the MercyOne Population Health Services Organization (PHSO)! Your facility is contracted with us to participate in our MSSP SNF 3-Day Waiver Program for calendar year 2025.

What is the Skilled Nursing Facility (SNF) 3-Day Rule Waiver?

For eligible patients and SNFs participating in Medicare Shared Savings Program (MSSP), CMS will waive the three midnight inpatient hospital stay requirement prior to a Medicare covered SNF admission.

Patient Eligibility Criteria

All of the following criteria must be met, in order for the 3-Day Rule Waiver to apply:

- Patient must be currently assigned (attributed) to one of MercyOne's Enhanced MSSP programs
- Patient was directly evaluated by a MD, DO, PA, NP, or CNS who is employed by an organization participating in the same MSSP program as the patient
- Patient is medically stable
- Patient has a certain and confirmed diagnosis
- Patient has identified skilled nursing or rehabilitation need that they cannot receive as an outpatient
- Patient does not reside in a long-term care (LTC) facility

SNF partners can expect a signed 3 Day Rule Waiver Form verifying that the patient and provider are meeting CMS requirements.

SNF Expectations

- SNF must have and maintain an overall rating of 3 out of 5 stars on CMS 5-star Quality Rating System. Dropping below 3 stars will result in a probationary process and possible removal from the program by CMS.
- SNF must be continuously enrolled in Medicare
- SNF is required to add demonstration code 77 in "treatment authorization" field on claim
- It is the responsibility of the SNF to resolve any billing issues

Tips for Facilities

- The waiver does not create a new benefit or expand Medicare SNF coverage
- The waiver does not restrict the patient's freedom of choice for provider or supplier
- CMS defines 3 days as 3 full calendar days (i.e., 3 midnights have passed)
- Please notify us immediately of any upcoming ownership, Tax ID or legal business name changes – **any entity change will invalidate your eligibility to use the 3-Day Rule Waiver**
- The PHSO post-acute coaches are available to collaborate with the facility and provide care management and care coordination services for attributed patients, and can assisted with discharge planning.

Facility Toolkit

MercyOne employees can access the PHSO Sharepoint for additional information and resources: [Care Management](#)

CMS Resources

[Medicare Shared Savings Program Skilled Nursing Facility 3-Day Rule Waiver Guidance](#)

MercyOne PHSO Contact Information

Please direct inquiries to Julia Colwell, Post-Acute Program Manager: 515-358-6542.