



LONG TERM CARE & SENIOR LIVING BLOG

CMS Changes Position to Support Arbitration Agreements in Long Term Care Settings

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The Centers for Medicare and Medicaid Services (CMS) advised in June that it was going to back off its prior position on prohibiting nursing homes from including arbitration provisions in admission contracts. CMS has reversed its prior position and is currently drafting a new rule, which would allow pre-occurrence arbitration agreements to stand. The Fair Arbitration Now Coalition, the AARP, and other elderly advocacy groups are against CMS' new position.

They claim an arbitration agreement is one-sided and takes advantage of the residents and their families during a stressful time. In support of its new position, CMS has stated that arbitration agreements can benefit both sides, because they allow for claims to be resolved faster and cheaper. The public was allowed to comment on the new rule up until August 7, 2017. We will now have to see what action CMS takes in response to the public comments and whether the new rule will go in effect.