

MEDICARE FINAL RULE

Related to INPATIENT Hospital Status

Effective 10-1-13

TIMELINE

- ▶ August 2, 2013 – Final rule published
- ▶ August 19, 2013 – CMS holds open door forum. Many questions raised
- ▶ Sept 5, 2013 – CMS issued further guidance on the Physician order and Certification
- ▶ Sept 18, 2013 – AHA sent a letter to CMS asking to delay the effective date
- ▶ Sept 26, 2013 – CMS held 2nd open door forum. Still many unanswered questions. CMS stated that they will continue to issue further guidance.
- ▶ October 1, 2013 - Gov't . Shut down and furlough stopped any further clarification from CMS

MEDICARE FINAL RULE

- ▶ On August 2, 2013 the Centers for Medicare & Medicaid Services (CMS) issued a final rule (CMS-1599-F) updating Medicare payment policies which:
 - ▶ modifies and clarifies CMS's longstanding policy on how Medicare contractors (including RAC auditors) review inpatient hospital admissions for payment purposes.
 - ▶ Under this final rule, surgical procedures, diagnostic tests and other treatments (in addition to services designated as inpatient-only), are **generally appropriate for inpatient hospital admission** and payment under Medicare Part A *when (1) the physician expects the beneficiary to require a stay that crosses at least two midnights and (2) admits the beneficiary to the hospital based upon that expectation.*

MEDICARE FINAL RULE

- ▶ The final rule clarifies that the timeframe used in determining the expectation of a stay surpassing two midnights begins when care in the hospital begins. This will include **outpatient observation services** or services in an emergency department, operating room or other treatment area. **While the final rule emphasizes that the time a beneficiary spends as an outpatient before the formal inpatient admission order is not inpatient time, the physician may consider this period when determining if it is reasonable and generally appropriate to expect the patient to stay in the hospital at least two midnights as part of an admission decision**

THE 2 MIDNIGHT RULE

- ▶ If the Physician can reasonably expect that the severity of illness of the patient and/or the services being rendered would suggest the stay at the hospital would cross 2 Midnights (regardless of the number of hours) AND documentation in the record supports his/her expectation, then Medicare will consider INPATIENT stay to be reasonable and necessary.
- ▶ The INPATIENT admission order and Physician Certification **MUST** be authenticated by the Physician **PRIOR** to Discharge.....
NO EXCEPTIONS

DOCUMENTATION

- ▶ Documentation **MUST** include Factors that support a reasonable expectation of the duration of stay to exceed 2 Midnights.
 - ▶ Factors may include:
 - ▶ Medical History
 - ▶ Comorbidities
 - ▶ Severity of signs/symptoms
 - ▶ Current medical needs (i.e., IV diuretics)
 - ▶ Risk of an adverse event during the time period of hospitalization

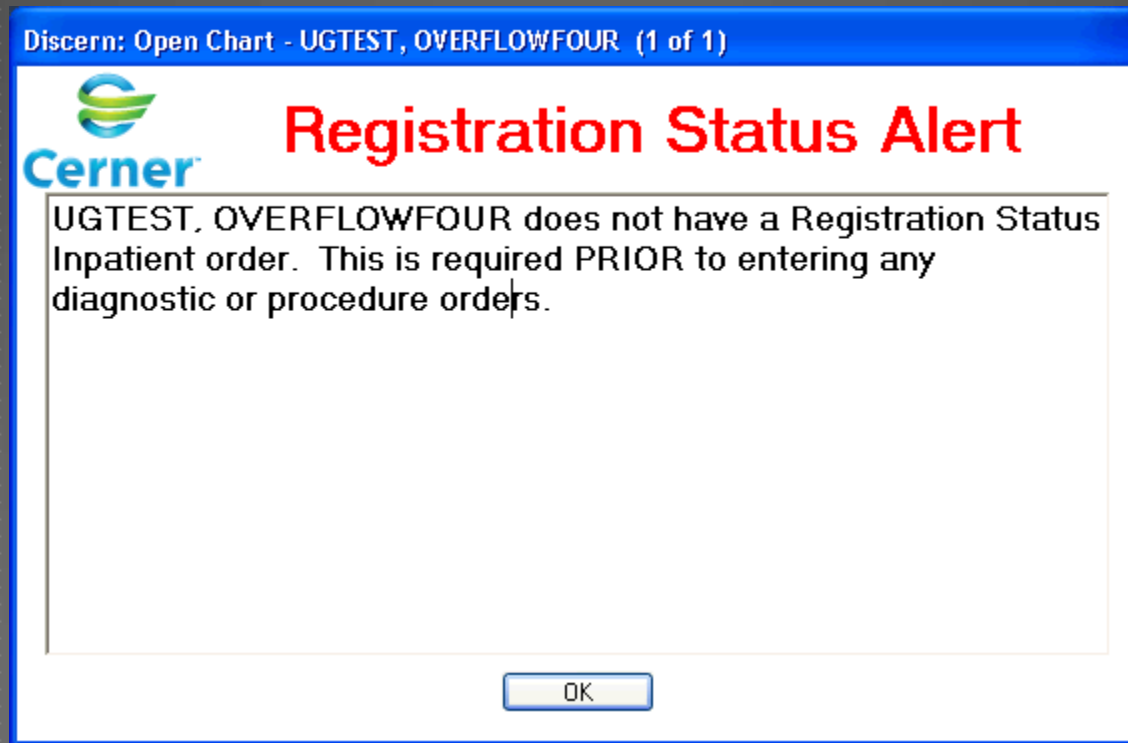
2 MIDNIGHT RULE EXCEPTIONS

- ▶ In certain circumstances, the physician may **expect** the patient to stay 2 Midnights, yet the patient's actual stay is < 2 Midnights. The hospital will still be able to bill Medicare Part A (INPATIENT) **IF** the shorter stay is due to one of the following reasons **AND** is clearly documented as such:
 - ▶ *Patient left AMA*
 - ▶ *Patient Expired*
 - ▶ *Patient came in for an elective **INPATIENT ONLY PROCEDURE** per Medicare rules.*
 - ▶ *Patient's recovery took less time than expected*

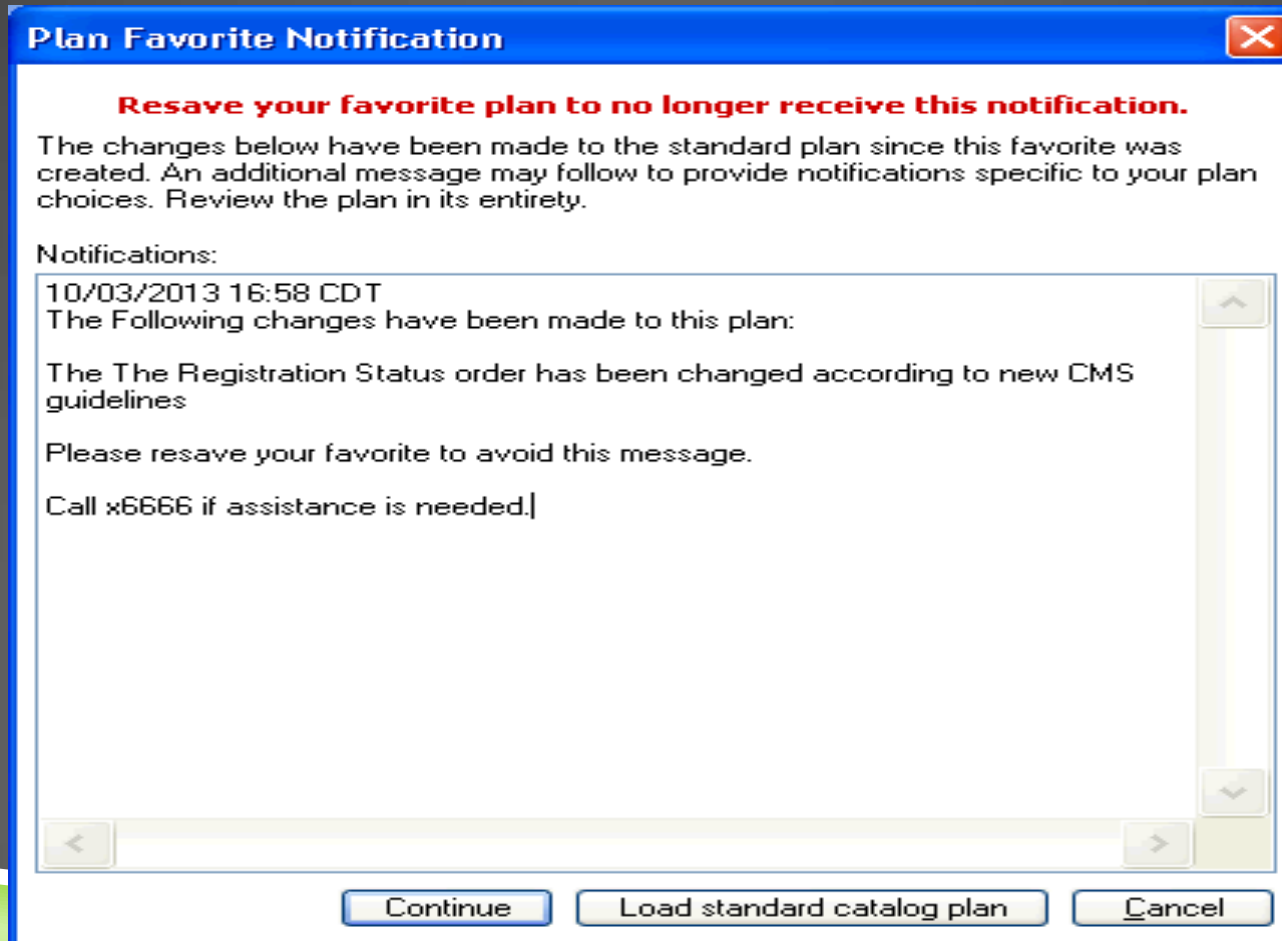
THE PHYSICIAN ORDER/CERTIFICATION

- ▶ The order must be furnished at or before the time of the INPATIENT admission.
- ▶ Order/Certification **MUST** include:
 - ▶ Admission to Inpatient Care
 - ▶ Estimated LOS (default will be greater than 2 midnights for any admission to IP)
 - ▶ Diagnosis
 - ▶ Reason for medical treatment in hospital (i.e., IV diuretics, illness of the patient)
- ▶ Orders entered by a **RESIDENT, N.P. or verbal orders** MUST be cosigned **prior** to the discharge being entered.

WHAT HAPPENS IF THE PATIENT IS ADMITTED WITHOUT THE INPATIENT ORDER?



FOR OTHERS WHO HAVE REGISTRATION STATUS SAVED TO THEIR FAVORITES....



NEW REGISTRATION STATUS ORDERS

Find: Starts with Advanced Options Type:

Folder:

- Registration Status Inpatient
- Registration Status Observation
- Registration Status Outpatient

Decision Support

Identified Order:
Registration Status Inpatient

Reference

Registration Status Inpatient

CarePlan information

Chart guide

Nurse preparation

Patient education

Policy and procedures

Scheduling information

Estimated hospital LOS options:

Less than or equal to 24hrs:

this option can only be checked for Medicare Inpatient Only procedures

Greater than 2 Midnights:

if stay is estimated to be < 2 Midnights and not a Medicare Inpatient Only Procedure, Patient Status should likely be Observation status

Reason for inpatient medical treatment:

should state what are the clinical interventions you are ordering that can only be accomplished in the inpatient setting and why

Details for Registration Status Inpatient

Details | Order Comments | Offset Details



Requested Start Date/Time: CDT

*Estimated hospital LOS:

*Reason for medical tx/Why:

*Admit To:

*Inpatient Admit Status:

*Diagnosis:

*Admitting Physician:

Special Instructions:

DISCHARGE ORDER

