New CMS Ruling affecting Inpatient Status

How does it affect physicians?
Evolution of Inpatient

• Current definition of Inpatient
  – “Complex medical decision”
  – Uses 24-hr and overnight stay as benchmarks

• Perceived need for change due to increase in OBS with longer LOS, provider uncertainty

• New IPPS Final Rule published on 8/19/12:
  – Time-based definition (change in CMS attitude)
  – Much confusion still remains
New “Inpatient”

• Begins as of October 1, 2013
• Based on the expectation that patient would require care spanning 2 midnights
• Order MUST state: “Admit to/as Inpatient” at the time/before admission
• Physician certification is required
Benchmark vs. Presumption

• Benchmark of 2 midnights
  – “decision to admit should be based on the cumulative time spent at the hospital beginning with the initial outpatient service”, i.e. physician should consider the time already spent (ED, OBS services)

• Presumption of 2 midnights
  – inpatient claims with LOS>2 MN after formal admission will be presumed appropriate and will not be the focus of medical review (ex., systematic abuse or delays in provision of care)
Physician Expectations

• Physician must document **expectation** of care spanning 2 midnights
• Certification of care (42 CFR§424.13)
  • Appropriate order is required
  • Reasons for hospitalization stated
  • Diagnosis
• Expected time the patient will remain in the hospital
Impact on admissions

• Medical cases with expected LOS less than 2 midnights will likely NOT qualify as inpatients
• Surgeries/procedures on Medicare Inpatient only list remain inpatient
• 3-day qualifying stay requirement for SNF placement has not changed