

Torrance Memorial Physician Advisors. We're here for you.

The Physician Advisor team is a clinical resource to assist physicians and hospital staff with clinical documentation improvement and utilization management strategies using a simple, straightforward approach.

Accurate clinical documentation will aid in demonstrating the most appropriate

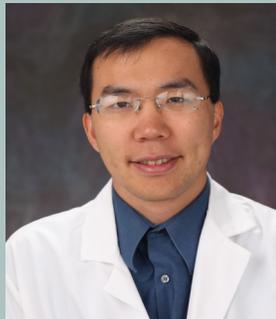
- length of stay
- severity of illness
- risk of mortality

to ensure the physicians and hospitals performance ratings are accurate.

The Role of the Physician Advisor

To provide a peer-based, educational resource to assist physicians with:

- Improving clinical documentation to appropriately reflect their patients' severity of illness and risk of mortality
- Understanding and incorporating Medicare regulatory guidelines into clinical practice
- Provide a “go-to” consultant for all matters related to clinical documentation and utilization management



Ernest Lee, MD



Roy Fu, MD



Tracy Bercu, MD

How to reach us Monday through Friday 9am - 5pm

Phone: 310-257-7223 or extension 77223

Email: physicianadvisors@tmcc.com

2 Midnight Rule- Inpatient or Observation?

For most insurances (Excluding TMIPA, Optum, Medi-Cal, managed Medi-Cal and Blue Shield),

Inpatient status should only be ordered when the physician expects the patient to require a stay that crosses at least **2 midnights**.

The physician must include documentation of a reasonable and supportable expectation of care spanning at least 2 midnights. The expectation should be based on criteria such as patient history and comorbidities, severity of signs and symptoms, current medical needs, and risk of an adverse event.

For patients that require hospital care expected to span less than 1 midnight (even in the ICU), Observation services should be ordered instead.

FAQ's

What are some common diagnoses typically placed in Observation rather than Inpatient?

- Chest pain
- Syncope
- TIA
- Uncontrolled pain
- Weakness
- Dehydration

When does the clock for the 2 midnight rule start?

- At the time of the initial Emergency Department care (first order by the ED physician)

Are there any exceptions?

- Unexpected improvement – if the admitting physician documented an initial expectation of a two midnight stay and then documented improvement leading to earlier than expected discharge.
- CMS's "Inpatient Only Procedure List"
- Death or Transfer to another inpatient facility
- Leaving against medical advice
- Newly initiated mechanical ventilation
- Unforeseen election of hospice care

When does a patient in observation status become an inpatient?

- At the time that the expected hospital stay becomes at least 2 midnights, the physician documentation must explain why the patient needs continued hospital level care

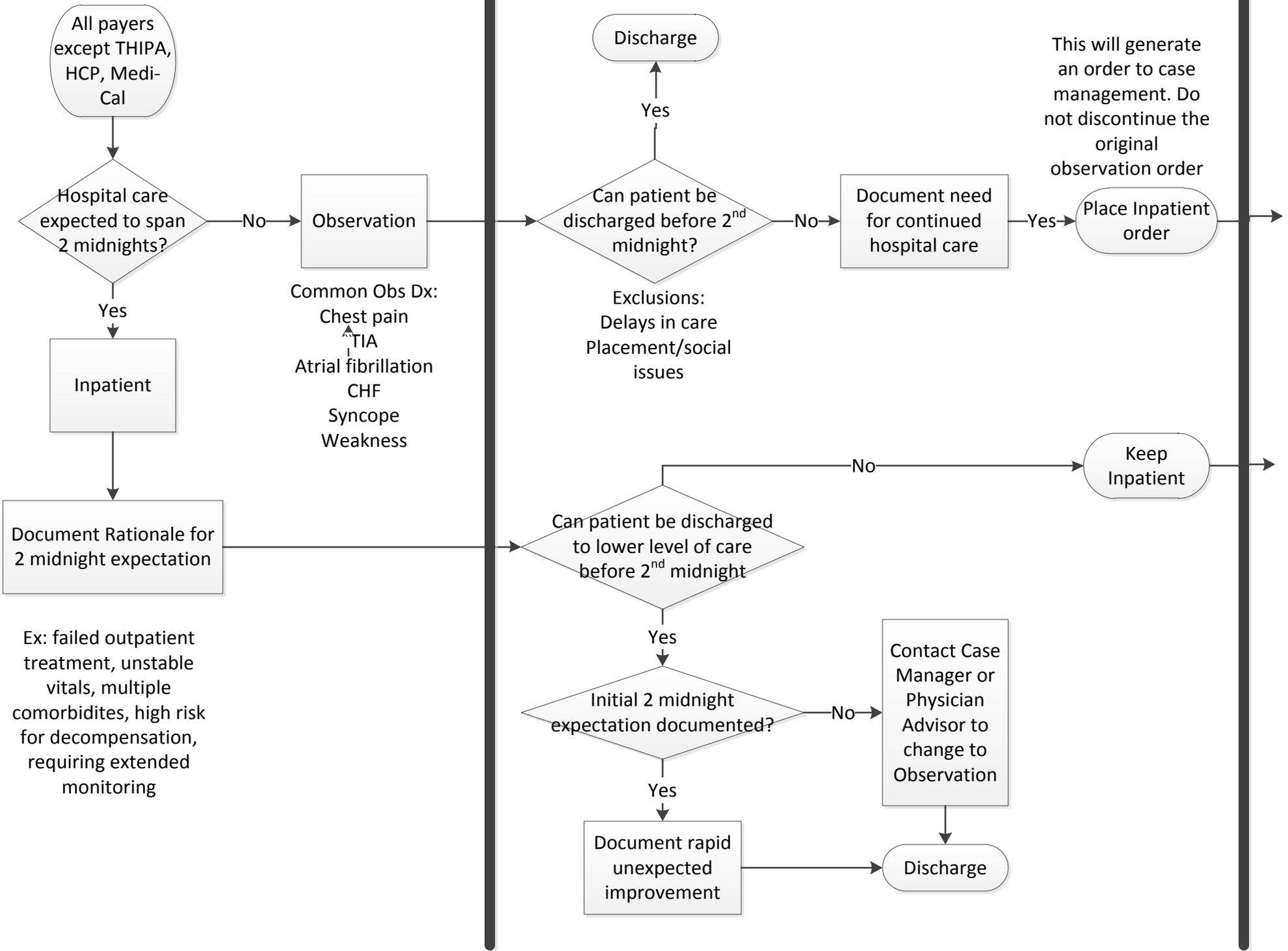
How does this rule affect the Medicare 3 day qualifying stay for SNF?

- It does not – the 3 day qualifying stay for a SNF starts at the time of the *Inpatient* Admission order. The 3 day stay requirement alone does not justify inpatient status

For more information, contact a Case Manager or one of your Physician Advisors: Tracy Bercu, Roy Fu, or Ernest Lee: (310) 257-7223.

1st midnight

2nd midnight



Post-procedural Guidelines – Elective Procedures

- Medicare publishes a quarterly list of Inpatient-Only procedures. These are available in the Powerchart link titled “Inpatient Only Surgeries”.
- **All procedures *not* on this list are presumed to be outpatient procedures.** These should be scheduled as outpatients with the expectation that the patients should generally be discharged on the same day.
- If a patient develops a complication and needs to remain in the hospital beyond a normal recovery period, the surgeon should place an order for:
 - Observation - if the complication is expected to resolve in less than 2 midnights
 - Inpatient – if the complication will need 2 or more midnights to resolve
- In the rare occasion a patient’s routine recovery from an uncomplicated outpatient procedure requires an overnight stay, “Outpatient Extended recovery” is the appropriate status order. Physician documentation should indicate the reasons for continued hospitalization and criteria for discharge.
- In efforts to ensure accuracy of patient status, you may be approached by case management to discuss your patient’s clinical course as it relates to status.

For any questions on appropriate post-procedure patient status orders, contact the ED case manager at 310-784-6818 (or x46818) or the Physician Advisor line at (310)257-7223 (or x77223) or by email at physicianadvisors@tmmc.com .