

Insights to Coding and Data Quality

CMS issues new admission and medical review guidance

by Nancy J. Cervi, RHIT

In its ongoing effort to clarify its 2-midnight regulation, the Centers for Medicare and Medicaid Services (CMS) issued guidance on September 5, 2013, interpreting its new requirements for admission and medical review criteria for hospital inpatient services under Medicare Part A. Calling the requirement a “Physician Certification of inpatient services of hospitals,” the five-page document clarifies the types of practitioners who may provide orders for inpatient services and the types of information that must be included in those orders. It outlines the following criteria to be met in the certification documentation:

- **Content:** Authentication of the order, the reason for inpatient services, certification that hospital inpatient services are reasonable and necessary, and, in the case of services not specified as inpatient – only under Code of Federal Regulation 42 CFR 419.22(n), that they are appropriately provided as inpatient services in accordance with the two-midnight benchmark under 42 CFR 412.3(e), estimated time the patient will be in the hospital, and plans for post-hospital care.
- **Timing:** When the certification order begins.
- **Authorization:** Who can sign the order as well as document verbal orders.
- **Format:** Although no special format is required, CMS and its contractors will look for certain medical record documentation to meet the certification requirements.

The guidance continues to outline qualifications of the ordering/admitting practitioner, example of the wording of orders and verbal orders, as well as the specificity of the order stating that “these requirements are to reinforce the policy that the physician should be involved in the determination of patient status and to improve clarity among hospitals, beneficiaries, and ordering practitioners regarding whether the patient is being treated as a hospital inpatient or hospital outpatient.”

In accordance with the two-midnight benchmark under 42 CFR 412.3, Medicare’s external review contractors will presume that hospital inpatient admissions are reasonable and necessary for beneficiaries who require more than one Medicare utilization day (defined by encounters crossing two “midnights”) in the hospital receiving medically necessary services.

If the order to specify inpatient or outpatient status is ambiguous, CMS is encouraging hospitals to obtain and document clarification from the physician, ideally, before the patient is discharged.

Health information management professionals should share this guidance with appropriate hospital staff and physicians and review their own facility’s compliance with the documentation requirements.

To view CMS guidance: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Downloads/IP-Certification-and-Order-09-05-13.pdf/>

To view the federal regulation (42 CFR 412et al): <http://www.gpo.gov/fdsys/pkg/FR-2013-08-19/pdf/2013-18956.pdf/>

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