

Inpatient vs Observation: Having the discussion with the patient

* This is the transcript from a video created on the topic by Dr. Ronald Hirsch, Vice President of the Regulations and Education Group for Accretive PAS.

Doctor: Good morning Mister and Misses Jones, I am Doctor Weinberg, the orthopedic doctor. I was asked to see you by the emergency doctor. You have a small fracture in your pelvic bone.

Mrs. Jones: Is that bad? I am so worried. Is he strong enough for surgery?

Doctor: No do not worry. These fractures do not need surgery and will slowly heal on its own. You do have some pain and I see they had to give you one shot of morphine.

Doctor: So what I would like to do is keep you in the hospital tonight as observation. We can watch you for a day and arrange a hospital bed for your house and get some therapy set up.

Mrs. Jones: Oh no, he can't possibly go home. Brian Williams on NBC news and AARP said that I should insist that he gets admitted as an inpatient so he can go to the rehab facility and Medicare will then pay for it.

Doctor: But he will only need to be in the hospital for one day so that does not qualify for inpatient admission.

Doctor: There must be an expectation of at least two days in the hospital after the day of admission to warrant inpatient. And you must need care that can only be provided in the hospital.

Doctor: Medicare is very clear on these rules. If I admit you inappropriately, the hospital will not get paid and I could be accused of Medicare fraud.

Mrs. Jones: Well then I want to appeal your decision to not admit him to Medicare. NBC News said I can appeal it.

Doctor: I better go get the case manager. He can explain that to you better.

Mrs. Jones to Mr. Jones: You paid those Medicare premiums all those years, we are not going to allow the hospital to deprive you of your benefits.

Case manager: Hello, I am Jonathan the emergency department case manager. I spoke to Dr. Weinberg and he explained your situation. He is correct about the rules. Because you are not anticipated to need to stay in the hospital for more than two midnights, Medicare says we should place you on observation and monitor you. If on the next day there is a change and you continue to need hospital care then we can admit you as an inpatient.

Mrs. Jones: Well then put him on observation but tomorrow we will insist he gets admitted.

Case manager: But it is not just counting days with a calendar and crayon. He must also have a need for care that can only be provided in the hospital. Medicare is very strict about these rules and you must be an inpatient for three days to qualify for the nursing facility benefit in Medicare.

Case manager: We also think the rules are unfair. Patients like you should have access to rehabilitation at a nursing facility without needing three days in the hospital as inpatient. The rule was made in 1965 and has not changed since that time.

Mrs. Jones: Well I want to appeal this to Medicare. Brian Williams told me to do that.

Case manager: Mr. Williams is not right. Outpatients do not have appeal rights. I will give you the phone number for the QIO. They handle other Medicare appeals and can answer your questions.

Case manager: You should also call your congressman. There are bills before congress that will eliminate the three day inpatient requirement.

Mrs. Jones: We are not happy but we understand that the rules are the rules.

Case manager: Once your husband is upstairs, there will be a case manager available to help set up home care and therapy and answer any other questions.