

Centers for Medicare & Medicaid Services

Special Open Door Forum:

CMS Rule 1599-F: Inpatient Hospital Admission and Medical Review Criteria (2-Midnight Provision) and Part B Inpatient Billing in Hospitals.

Thursday, August 15, 2013

3:00pm – 4:00pm Eastern Time

Conference Call Only

CMS will host a Special Open Door Forum (ODF) call to allow hospitals, practitioners, and other interested parties to give feedback on the physician order and physician certification, inpatient hospital admission and medical review criteria, and Part B inpatient billing provisions that were released on August 2, 2013 in the FY 2014 Inpatient Prospective Payment System (IPPS) final rule (CMS-1599-F).

The final rule instructs the physician on when an inpatient hospital admission should be ordered and certified, and clarifies for the practitioner and facility when inpatient hospital admissions are generally appropriate for Medicare Part A payment. The new rules are intended to address concerns about some Medicare beneficiaries having long stays in the hospital as outpatients and improve program integrity. Under the rule, if a physician expects a beneficiary's surgical procedure, diagnostic test or other treatment to require a stay in the hospital lasting at least two midnights, and admits the beneficiary to the hospital based on that expectation, it is generally appropriate that the hospital receive Medicare Part A payment. The final rule emphasizes the need for a formal order of inpatient admission to begin inpatient status, but permits the physician to consider all time a patient has already spent in the hospital as an outpatient receiving observation services, or receiving care in the emergency department, operating room, or other treatment area in guiding their two-midnight expectation.

We finalized our proposal to continue applying the timely filing restriction to the billing of all Part B inpatient services, under which claims for Part B services must be filed within 1 year from the date of service. However, we will permit hospitals to follow the Part B billing timeframes established in CMS Ruling-1455-R after the effective date of the final rule (October 1, 2013), provided (1) the Part A claim denial was one to which the Ruling originally applied; or (2) the Part A inpatient claims has a date of admission before October 1, 2013, and is denied after September 30, 2013 on the grounds that although hospital outpatient services would have been reasonable and necessary, the inpatient admission was not. In the final rule, we also discussed appeals, beneficiary liability and other impacts of our final policies.

You can find the final rule by going to: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2014-IPPS-Final-Rule-Home-Page.html>

Feedback and questions on the two midnight provision for admission and medical review can be sent to IPPSAdmissions@cms.hhs.gov. Questions on Part B inpatient billing and the clarifications regarding the physician order and certification should be sent to the subject matter staff listed in the final rule.

Special Open Door Participation Instructions:

Dial: **Participant Dial-In Number(s): (877) 251-0301**
Conference ID # 31049561

Note: TTY Communications Relay Services are available for the Hearing Impaired. For TTY services dial 7-1-1 or 1-800-855-2880. A Relay Communications Assistant will help.