

# PUBLICATION

---

## CMS Issues Inpatient Admission Order and Certification Guidance [Ober|Kaler]

September 19, 2013

On September 5th of this year, CMS issued guidance [PDF] addressing hospital inpatient admission orders and certifications. The regulations addressing certifications at 42 C.F.R. §§ 424.13 – 424.16 were revised as part of the final FY 2014 inpatient prospective payment system (IPPS) rule [PDF], and the requirement that there be an order for an inpatient admission was clarified in that final rule and incorporated in a new regulation at 42 C.F.R. 412.3. The final FY 2014 IPPS rules are effective on October 1, 2013.

### Inpatient Order

CMS identified the practitioner order to admit as an inpatient as the first step in the physician certification. The ordering practitioner must be (a) licensed by the State to admit inpatients to hospitals, (b) granted hospital privileges to admit inpatients, and (c) knowledgeable about the patient's hospital course, medical plan of care and current condition at the time of admission. The order may be documented by an individual who does not meet these requirements, such as a physician assistant, resident or registered nurse, as long as the transcription of that order is in accordance with state law, hospital policies and medical staff bylaws, rules and regulations. In such a case, the documentation must also identify the qualified ordering practitioner and be authenticated by that practitioner or a practitioner who meets the required admitting qualifications, prior to discharge or sooner if required by state law.

The following practitioners are considered "knowledgeable about the patient's hospital course, medical plan of care and current condition at time of admission": the admitting physician or physician on call for the admitting physician; the primary or covering hospitalist caring for the patient; the patient's primary care practitioner or physician on call for the primary care practitioner; a surgeon responsible for a major surgical procedure on the patient or surgeon on call for him or her; the emergency or clinic practitioners caring for the patient at the time of admission; and any other practitioner qualified to admit inpatients and actively treating the patient at the time of inpatient admission decision.

The order must be made at or before the time of inpatient admission. CMS stressed in both the guidance and the preamble to final FY 2014 IPPS rule that it is best for clarity if the order specifically states that it is for inpatient services. However, if the intent to order inpatient services can be identified, even if not specifically stated, that this would suffice. Examples included an order to admit to a particular floor that is an inpatient floor, to ICU, to Medicine and even just "Admit" without any further specificity, as long as the interpretation to admit to inpatient services is consistent the rest of the medical record. Orders to admit to a service that is typically provided on an outpatient basis, such as ER, Observation, Recovery, Day Surgery, or Short Stay Surgery, will not be interpreted to be inpatient orders.

### Inpatient Certification

The physician certification of inpatient services must include: authentication of the practitioner order, the reason for the inpatient services, the estimated time the patient needs to be in the hospital, and the post-hospital care plans.

The regulations (42 C.F.R. § 424.15) and the guidance state that for inpatient critical access hospitals (CAHs), the physician must certify that the patient is reasonably expected to be discharged or transferred to a hospital within 96 hours after admission. However, CMS acknowledged in an open door forum call on September 17, 2013, that this is inconsistent with its current practice that these patients be transferred on average within 96 hours. CMS advised it would provide guidance regarding this discrepancy in the future. However, for now, it could not advise providers to disregard the regulations.

The certification must be completed, signed, dated and, as stated in the newly adopted final FY 2014 IPPS rules, must be in the medical record prior to discharge, except for outlier cases (which have special rules, found at 42 C.F.R. § 424.13) and CAH patients (which are required no later than one day prior to submission of the claim, per 42 C.F.R. § 424.15).

The certification must be signed by a physician, which includes a doctor of medicine or osteopathy, a dentist and a doctor of podiatric medicine. That physician must be the responsible physician for the case or another physician with knowledge of the case who is authorized by the responsible physician or the hospital's medical staff. Those considered by CMS to have "sufficient knowledge" include only the following: the admitting physician or physician on call for the admitting physician; a surgeon responsible for a major surgical procedure on the patient or surgeon on call for him or her; a dentist functioning as the admitting physician or the surgeon responsible for a major dental procedure; and, if a non-physician non-dentist admitting practitioner licensed by the state has privileges at the hospital, a physician member of the hospital staff (such as a physician member of the utilization review committee) who has reviewed the case and includes a complete certification statement in the medical record.

No specific procedure or forms are required for the certification. In the absence of a specific form or certification statement, CMS has established a "default methodology" which instructs its contractors to look for the required elements of the certification in the medical record. Specifically, CMS identifies the following requirements and portions of the medical record that may meet the requirements:

- The authentication of the practitioner order is met by the certifying physician's signature or countersignature of the inpatient admission order.
- The reasons the inpatient services are medically required will be met by the diagnosis and plan in the inpatient assessment or by the inpatient diagnosis and orders.
- The estimated time requirement will be met by the inpatient admission order in accordance with the two-midnight rule, supplemented by physician notes and discharge planning instructions. Note that a CMS representative in the September 17, 2013 open door forum call specifically advised that an inpatient order will not be interpreted as an estimated time requirement of two midnights, as it is just a minimum expected time, not an actual estimate of the full anticipated time.
- The post-hospital care plan requirement will be met either by physician notes or discharge planning instructions.
- The CAH 96 hour requirement will be met either by physician notes or discharge planning instructions.

## Ober|Kaler's Comments

The requirements that there be an order for inpatient services and a certification for those services are not new. However, CMS has given greater clarification to some of them, e.g., by establishing who can order or certify the inpatient stay. In addition, many of the certification requirements can be met by the content of a properly documented medical record. CMS has indicated it will provide additional guidance on these issues, as well as the two-midnight rule and inpatient Part B billing rules "this fall." (Our discussion of the new two-

midnight rule and inpatient Part B billing rules that were part of the final FY 2014 IPPS rule can be found [here](#).) However, the rule goes into effect in less than a month, on October 1. Hospitals should begin as soon as possible revising forms and educating their physicians and utilization review staff on the new rules and keep alert for additional guidance from CMS on these issues.