

PHYSICIAN ADVISORY SERVICES- *NEWS FLASH*

INSIDE THIS ISSUE:

Connolly Approved Issues Update 1

QUICK MEDMANAGEMENT CONTACT LIST:

Joan C. Ragsdale, 205-970-8804
jragdale@medmanagementllc.com

Ann M. Purdy, 205-314-8859
apurdy@medmanagementllc.com

Pam VanEngelenhoven, 205-970-8815
pvanengelenhoven@medmanagementllc.com

Gregory Palega, MD, JD, 205-313-6648
gpalega@medmanagementllc.com

Questions? Contact us at:

MedManagement, LLC

1500 Urban Center Drive

Suite 325

Birmingham, AL 35242

205-970-8800

Visit our website at:

www.medmanagementllc.com

CONNOLLY APPROVED ISSUES UPDATE

CMS Approved Audit Issues

Issue Name: Inpatient Admissions without a Physician's Inpatient Admit Order

Description: Admissions to the inpatient setting require a physician's order in order to qualify and be paid as an inpatient stay.
Provider Type Affected: Inpatient Hospital

Date of Service: 10/01/2007 - Open

States Affected: Alabama, Arkansas, Colorado, Florida, Georgia, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, Puerto Rico, South Carolina, Tennessee, Texas, Virgin Islands, Virginia (WPS only), West Virginia (WPS only)

Additional Information: Additional information can be found in the following manuals/publications:

- 1) Federal Register 11-27-2006 (42 CFR Part 482) page 2, requires authentication of orders for the care of the patient by a physician/ provider
- 2) Benefit Policy Manual Chapter 1 Section 10
- 3) Claims Processing Manual Chapter 3 Section 10 and 40.2.2

The link to the Connolly Approved Issues List is:

http://www.connollyhealthcare.com/RAC/pages/approved_issues.aspx

Connolly Healthcare has signaled its intent to perform complex reviews of inpatient admissions. Connolly will review the adequacy of the physician orders. The Region C Recovery Audit Contractor (RAC) posted the new issue on its approved issues website on July 1, 2010. The issue affects fifteen states and two territories.

This issue puts facilities at risk if there is a lack of clarity in the physicians' orders. Short stay inpatient stays for conditions or procedures that could possibly

be handled in a less intensive level or care will be on Connolly's "radar screen."

Although the issues as posted do not identify specific diagnoses, Connolly will be looking for cases where the physician's intent is not clearly documented in the medical record. As hospitals prepare for complex review of inpatient orders, focus should be on clear orders for level of care and complete clinical rationale.

If Connolly determines through its complex review that a patient was treated as an inpatient but there is

not a proper physician order, the hospital is at risk of having the entire amount paid to the facility recouped by Connolly.

Hospitals should be diligent in assuring that proper documentation, including valid physician orders, are in the medical record to support the billed level of care.

If your hospital has questions about how to address this issue, please call Ann M. Purdy at 205-314-8859 or email her at

apurdy@medmanagementllc.com.