

Hospital Inpatient Admission Ruled Unnecessary: Overpayment Must Be Reimbursed To Medicare.

Hospitals have the option to keep an emergency patient on observation status or can admit the patient as an inpatient.

Treatment under observation status is considered outpatient care that for Medicare patients is reimbursed to the provider under Part B.

Payment for inpatient treatment, on the other hand, is reimbursed to the provider for a Medicare patient under Part A at a considerably higher rate than Part B pays.

Federal law states that payment may not be made under Part A or Part B for services that are not reasonable and necessary.

The Secretary of Health and Human Services has promulgated regulations which state only in very general language that the decision to admit a patient, as opposed to treating the patient as an outpatient, must be made based on the patient's needs and the appropriateness of treatment available in either setting.

The fact a patient may have to stay more than twenty-four hours is not necessarily an indication for inpatient admission.

UNITED STATES DISTRICT COURT
CALIFORNIA
December 13, 2017

A sixty-eight year-old woman came to the hospital's emergency department with chest pains and mild dizziness without shortness of breath.

In the emergency department her EKG, chest x-ray and head CT were entirely normal and troponin was negative.

She was diagnosed with malignant hypertension based on a BP of 184/111.

Treatment in the emergency department was topical nitroglycerine paste that quickly resolved her chest pain.

Patient Admitted as Inpatient To Cardiac Telemetry

Nevertheless the physician admitted her as an inpatient for cardiac telemetry, where her condition remained stable until she was discharged the next afternoon.

Inpatient Admission Ruled Unnecessary Hospital Liable for Repayment

The Medicare contractor determined that this patient's inpatient admission was not medically reasonable and necessary and ordered the hospital to repay \$5,380.30 that was deemed to be the amount of the overpayment for Part A inpatient care as opposed to Part B outpatient observation.

The US District Court for the Central District of California concurred with the Medicare contractor's assessment and dismissed the hospital's appeal.

The patient's presenting subjective complaint of chest pain was completely resolved in the emergency department with nitroglycerine paste and there were no accompanying abnormal objective findings disclosed by the comprehensive screening done in the emergency department.

Secondly, there was no discernible logical connection between the emergency physician's diagnosis of malignant hypertension that prompted the inpatient admission to cardiac telemetry and the monitoring services the patient received on the telemetry unit, which had nothing to do with malignant hypertension.

This patient's hypertension could and should have been addressed on outpatient observation status with medication and BP checks to test the medication's efficacy. **Healthcare v. Hargan, 2017 WL 6375589 (C.D. Cal., December 13, 2017).**

Inpatient Care Ruled Unnecessary: Overpayment.

A ninety year-old woman came to the hospital's emergency department with a scalp laceration after having fallen in a nursing home because she did not take her walker into the bathroom with her.

She did not lose consciousness in the fall. She was alert and talkative. She had no numbness, paresthesias or weakness. Review of systems was unremarkable. Heart rate was normal. Her medical history included dementia and hypertension but no cardiac problems or diabetes.

The emergency physician documented that nothing was out of the ordinary except for the scalp laceration.

Nevertheless the patient was admitted as an inpatient to the cardiac telemetry unit. There she received IV fluids and later was sent for a bilateral carotid ultrasound that showed plaque in the carotid arteries. She was also seen by a cardiologist who ruled out acute coronary syndrome.

This patient's inpatient admission was not medically reasonable or necessary.

UNITED STATES DISTRICT COURT
CALIFORNIA
January 9, 2018

The US District Court for the Central District of California agreed with the Medicare contractor that inpatient admission was not reasonable or necessary for this patient. The hospital must repay the overpayment of \$5,412.98.

The hospital argued after the fact that the patient was admitted for diagnostic testing to rule out syncope as the cause of her fall. However, there was nothing in the emergency room record to support the idea that the patient had had a syncopal episode as opposed to a simple mechanical slip and fall accident.

There was also a logical disconnect between the patient's diagnoses of dementia and hypertension and her need for care as an inpatient in the telemetry unit. **Healthcare v. Hargan, 2018 WL 333862 (C.D. Cal., January 9, 2018).**