

WORK PROCESS

DEPARTMENT: Medical Management	DOCUMENT NAME: Observation Level of Care
PAGE: 1 of 4	REPLACES DOCUMENT: N/A
APPROVED DATE: 9/30/2016	RETIRED: N/A
EFFECTIVE DATE: 10/15/2016	REVIEWED DATE: 8/17; 9/17, 5/18
PRODUCT TYPE: Medicaid	REFERENCE NUMBER: WA.UM.02.04

SCOPE:

Coordinated Care Health Plan (Coordinated Care) Medical Management

PURPOSE:

To provide a process for Concurrent Review Nurse to appropriately authorize observation level of care stays and to ensure Coordinated Care members receive the most appropriate level of care.

WORK PROCESS:

Coordinated Care's' medical necessity review process is guided by McKesson's InterQual guidelines to determine medical necessity and appropriateness of physical health care. In addition to InterQual Guidelines, the medical director who conducts the review may approve observation status based on his/her professional judgment. InterQual utilizes nationally recognized criteria for determining appropriateness of medical necessity. It allows the Concurrent Review Nurse to customize reviews based on individual needs, it is diagnosis driven and evidence based, yet allows flexibility. It sets a baseline standard for each diagnosis, allowing for user customization based on member care needs and available services at the local healthcare delivery system. *InterQual Guidelines is a screening guide and is not intended to be a substitute for practitioner judgment.*

1. The Concurrent Review Nurse (CCR) will review the clinical documentation using InterQual Guidelines and her/his clinical judgment. In general, the Concurrent Review Nurse will use InterQual Guidelines to ascertain if the requested level of care for the stay meets medical necessity criteria as follows:
 - a. Admitted with signs and symptoms, testing and evaluation, treatment plan to be determined: observation
 - b. Admitted with a specific diagnosis (per Attachment A), usually associated with a short hospital stay: will be sent for physician review
2. If the documentation meets the guideline for an observation level of care, instead of an inpatient level of care, the Concurrent Review Nurse advises the Hospital Utilization Review Staff that the admission can be approved as an observation level of care.
 - a. If provider is in agreement with level of care (observation), document the agreement in the clinical documentation system, including name, title and phone number of person you spoke with, and void the admission event.
 - b. If the requesting provider does not agree with the level of care (observation), a physician reviewer, following the time frames outlined in

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WA.UM.05 Timeliness of UM Decisions and Notifications Policy, must review the request.

3. Nurse to include in submission for Advisor Review if the facility has actually denied Observation or if they have not responded to the offer.
4. All authorization requests for inpatient level of care less than 23 hours in length for entire episode of care and facility not accepting OBS status upon offer, will be sent for physician review irrelevant of meeting inpatient LOC criteria.
5. If MD believes they do not meet inpatient but would be appropriate to have Observation during Advisor Review they can advise nurse to deny inpatient and offer Observation.
 - a. During the denial notification telephone call, the nurse will deny inpatient LOC, but once again offer observation LOC.
6. If the inpatient level of care is denied after Level II review, written and verbal notification will be given to the provider
7. If during Peer 2 Peer MD believes, after discussion with Provider, Observation level of care is appropriate, they can indicate to offer Observation EVEN IF it was refused earlier.
8. Observation can only be approved for a maximum of 48 hours.
9. If a member begins their hospitalization in an observation status and is upgraded to inpatient admission, the observation day(s) are the first line item of the authorization and the second line item will be the new inpatient review.
10. Denial Letter for PAR providers will indicate they can bill Observation if the MD has indicated that option
11. Denial Letter for NonPAR providers will indicate they must respond back in 14 calendar days if they would like to accept Observation level of care.

REFERENCES:

2015 InterQual Criteria
 WA.UM.05-Coordinated Care Timeliness of UM Decisions
 Coordinated Care Provider Manual, Medical Management
 Observation Bed Guidelines

ATTACHMENTS: Short Stay / Observation List

DEFINITIONS:

Washington Medicaid outpatient/observation (State's definition): Outpatient includes a patient admitted as an inpatient whose inpatient stay does not extend beyond midnight of the day of admission except in instances when, on

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day of admission, a patient dies or is transferred to another inpatient unit within the hospital, to another facility, or to a state psychiatric facility.

REVISION LOG

REVISION	DATE
Added Diagnosis to Attachment; added MD Review for diagnosis list and less than 23 hour stays	8/24/17
Clarified lack of 2 nd Observation offer if refused before MD review and 23 hour MD reviews.	9/6/17
Changes to clarify all inpt requests of stays less than 23 hours will be sent to MD reviewer if facility will not accept OBS.	11/14/17
Changes in process to allow MD advisors more options in offering OBS and for notification requirements	5/28/18

WORK PROCESS APPROVAL

The electronic approval retained in Compliance 360, Centene's P&P management software, is considered equivalent to a physical signature.

Vice President Medical Management: Approval on File

ATTACHMENT: SHORT STAY / OBSERVATION LIST

Ambulatory Diagnoses

Allergic Reaction (Generalized)
Asthma
Bronchitis
Bronchiolitis
COPD
Cellulitis
Cerebral Infarction Unspecified
Diabetes
Enteritis (Diarrhea)
Epistaxis (Nose Bleed)
Failure to Thrive
Fracture (Simple)
Hypertension

Symptomatic Diagnoses

Abdominal Pain
Altered Mental Status (Confusion)
Back Pain
Chest Pain
Dehydration
Delayed Recovery following Anesthesia / Procedure
Dizziness / Weakness
Electrolyte Imbalance
Epigastric Pain
Fever
Flank Pain / Tenderness
Headache
Nausea / Vomiting

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Multiple Sclerosis
Other intestinal obstruction
Pancreatitis
Pneumonia
Pre-term Labor
Pyelonephritis
Renal Colic / Calculus (Kidney Stone)
Sinusitis
Sprains
Urinary Tract Infection (UTI)
Other not specifically listed

Shortness of Breath (SOB)
Uncontrolled Vomiting or Pain after Outpt Surg or Chemo
Any "Rule Out" Diagnosis
Other not specifically listed

Short Stay Invasive Procedures

Lithotripsy
Cardiac catheterizations
Cardiac ablations
Pacemaker insertions
Laparoscopic cholecystectomy
Laparoscopic appendectomy
Laparoscopic hysterectomy
Implantable Cardiac Defibrillator