AMERICAN COLLEGE OF EMERGENCY PHYSICIANS
SCIENTIFIC ASSEMBLY
1999

A Practical Guide to Setting Up and Operating an Observation Unit/CDU

Much has changed since CDUs became all the rage. Managed care is demanding that emergency departments develop observation units to cut down on admissions to the hospital. In this course you will learn the nuts and bolts of setting up and operating an observation unit. Practical information on setting up systems to monitor quality and maximize reimbursement is included. The speaker will provide an update on documentation and billing changes for 1999 and beyond.

- Describe how to set up and operate an emergency department observation unit.
- Discuss how to set up systems to monitor quality.
- Discuss reimbursement issues and "billing survival skills."

WE-124
Wednesday, October 13, 1999
8:00 AM - 9:55 AM
Room # N204
Las Vegas Convention Center

*Principle Investigator
Dade Bhering Corporation

FACULTY

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Notes

Setting Up An Observation Unit

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1999 ACEP Scientific Assembly
Las Vegas Convention Center
Las Vegas, Nevada

Observation Units

Extended Emergency Care
Who Would Have Thought

- The Science
- The Mechanics

Observation Units

The Science

There are numerous high quality studies that show that extended emergency care for selected patients with selected conditions is safe and less expensive than traditional inpatient care, and associated with increased customer satisfaction.

Notes

Observation Units

The Science

What are the selected conditions?

- Asthma
- Chest Pain
- Abdominal Pain
- Pediatrics

Bibliography in Syllabus

Observation Units

The Science

Other less well studied conditions:

- Community acquired pneumonia - PORT score
- Pyelonephritis
- Vomiting/dehydration/hyperemesis

Observation Units

Rationale For The Unit
Why Bother?

- Good For The Patient
- Good For the Doctor
- Good For the Bottom Line

Notes

Observation Units

Important Concept #1

"Observation is a Status, Not a Place"

Observation Units

Rationale For The Unit

- Good For The Nurse
- Good For The Doctor
- Good For The Patient
- Good For The Bottom Line

Observation Units

Good For The Patient

- More comfort
- Reduced ED time
- No waiting ("The Litany")
- Same team
- LOS 11-14 hours vs. 24+

Notes

Observation Units

Good For The Patient

- No repetition of story
- More continuity of care
- Expeditious studies
- 24 hour on site MD skilled in crises management
- But more co-pay

Observation Units

Good For The Doctor

- Time as a diagnostic tool
- Expand the scope of care
- Good fit with skill set
- Already did all the work
- Fewer phone calls

Observation Units

Good For The Doctor

- More continuity
- Different pace
- Increased worth in eyes of PCP
- Fair day's pay for fair day's work
- More control/less frustration

Notes

Observation Units

Good For The Nurse

- Defined ED Visit Time
- Standardized Plan of Care
- More Time With Patient
- Respite/Change of Pace

Observation Units

Good For The Bottom Line

- Hospital
  - Fewer DRG's
  - Fewer Home from ED
  - Fewer Denials

Observation Units

Good for the Bottom Line

- Emergency Physician
  - Reasonable RVU
  - Already Doing Work
  - Standardized Care

Notes

Observation Units

From Concept to Fact Resources

- Graff, L. "Observation Units", ACEP
- ACEP Policy Statement
- ACEP Short Term Observation Section

Observation Units

From Concept to Fact Resources

- ACEP Practice Management
  Marilyn Bromley
  1-800-798-1822 x3234
- Observation Info Pack
- Section News Letter

Observation Units

From Concept to Fact Resources

- Who to Call
- What to Read
- Where to Ask
- Basic Necessities

Notes

Observation Units

From Concept to Fact In The Beginning

- Fiscal Analysis/Business Plan
- Administrative Support
- Project Management Software

Observation Units

Who Needs to be at the Table

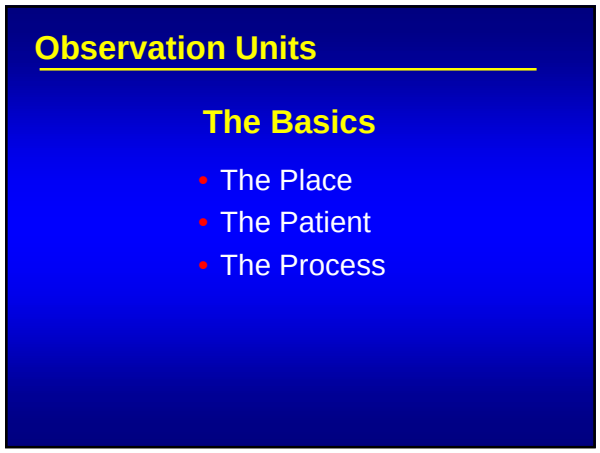
- Nursing, Hospital and ED
- EP
- Administrative Rep
- Coding Billing
- QA/UR

Observation Units

Who Needs to be at the Table

- Public Relations
- Board Member/Community Rep/Patient Rep/Patient Advocate
- Medical Records
- Information Services
- Medical Director

Notes


Observation Units
The Basics
• The Place
• The Patient
• The Process


Observation Units
The Place
• Near
• Quiet-Traffic
• Real Beds


Observation Units
The Place
• Bathrooms
• Clean
• Comfortable

Notes

Observation Units

The Place

- 5% of ED patients benefit from extended care
- One bed per 10,000-15,000 visits
- Privacy-as much as possible for both patient and staff

Observation Units

Important Concept #2
The Patient

- "Every patient must have an end point."

Observation Units

The Patient

- Known dx/more rx
  - asthma
  - urolithiasis
  - dehydration

Notes

Observation Units

The Patient

- Unknown diagnosis
  - abdominal pain
  - chest pain
  - syncope/spells

Observation Units

The Patient

- EP not happy with disposition ("I would send her home but..")
- Patient not happy with disposition ("You're not going to admit me/mother!")

Observation Units

The Patient

- PCP not happy with disposition. ("Are you sure she can't go home?") Social Service/VNA/ home antibiotics

Notes

Observation Units

The Patient

- Patient Expectations & ED Resources = Rapid Diagnostic Unit
- "Outpatient Intensive Care"

Observation Units

The Patient
Patients Here, Patients There, Patients Everywhere

- Overflow of regular ED patients
- The "Transition" Concept
- Fiscal Aspects

Observation Units

The Patient
Patients Here, Patients There, Patients Everywhere

- Documentation
- Remember: Every patient must have an end point.

Notes

Observation Units

- We will now take a 5 minute recreation break.

Observation Units

Dysfunction As A Lifestyle

- Codependent No More
- An End to Enabling
- Ask the CEO
- Assigning Blame

Observation Units

PROTOCOLS

Notes

Observation Units

The Process

- "Standardization is Good for You, Variation is Not"

Observation Units

The Process

- Standardization
  - Reduce variation
  - Reduce risk
  - Reduce cost
  - Reduce time waste/brain rot

Observation Units

The Process

- Simple
- Effective communication built in
- Restrict EP involvement to patient contact and medical decision making

Notes

Observation Units

The Process

- Protocols
  - EP only
  - diagnoses that allow standardization
  - develop internally/share externally
  - exclusion criteria?/universal vs particular
  - disposition criteria

Observation Units

Unit Staffing

- MD
- RN
- Tech/Sec

Observation Units

Observation Unit Staffing- RN

- Dedicated staff
  - unit functions better
- Float staff (from ED)
  - more flexibility

Notes

Observation Units

Observation Unit Staffing- RN

- Staffing ratio
  - One RN for 4/5 patients; one RN and one nursing assistant for 5-9 patients
  - Decide Then Design

Observation Units

Observation Unit Staffing - MD

- Need about 15 minutes per patient in AM
- Role of mid level provider

Observation Units

Quality Measures

- Principle: Patients are still ED patients
- Existing measures capture most events

Notes

Observation Units

Quality Measures

- New measures:
  - length of stay (greater than 24 hours?)
  - admission rate (usually less than 20%)

Observation Units

Billing and Coding

Observation Units

- Coding & Billing for Observation Units is:
  - as complex
  - as arcane
  - as boring and
  - as important to your financial welfare as IRS Form 1040 with all schedules

Notes

Observation Units

Hospital Billing

- Time based
- Case based by complexity
- Diagnosis based
- Role of ancillaries

Observation Units

Hospital Billing

- Time-based
  - BWH: 4 hour increments
- Front-loaded

Observation Units

Important Concept #3

- A physician and others of same specialty in his group may render only one E&M bill on one calendar day.

Notes

Observation Units

Professional Billing Coding

The Seven Codes You Need to Know

- Going into OBS
  - Low 99218
  - Moderate 99219
  - High 99220

Observation Units

Professional Billing Coding

- OBS Next Day 99217
- In and Out of OBS Same Day
  - Low 99234
  - Moderate 99235
  - High 99236

Observation Units

Professional Billing

Obs to Home

Same Day: E&M (ED) or OBS/Same Day
Next Day: First day = E&M (ED) or Obs
Second Day = discharge services

Observation to Inpatient

Same Day: E&M (ED) Codes (99281-99285)
Next Day: No added charges

Notes

Observation Units

RVU's

E&M		OBS			OBS/Home Next Day	OBS/Home Same Day	
CPT	RUV	CPT	RUV		RUV	CPT	RUV
99283	1.77	99218	2.02	(+1.84)	3.86	99234	3.30
99284	2.71	99219	3.28	(+1.84)	5.12	99235	4.56
99285	4.27	99220	4.22	(+1.84)	6.06	99236	5.50

99217 (Discharge Services) 1.84

Observation Units

Documentation

- A separate observation record is required in addition to the ED record
  - Dated and timed orders for observation
  - Reasons for observation

Observation Units

Documentation

- Treatment plan
- Physician progress notes
- Discharge plan including follow-up instructions

- Nursing notes

Notes

Observation Units

Important Concept #4

Build communication into the process by unifying the process, the documentation, and the communication.

Brigham and Women's Hospital
Observation Unit
Policy & Procedure Manual

- Available in MS Word
- Send: One zip disk
  One self-addressed return envelope

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Observation Units

The Three Things Needed for a Successful Observation Unit

1. Structure
2. Structure
3. Structure

Notes

Observation Units

What Have We Learned?

- Nurses like structure
- Doctors hate structure
- Patients like beds, food, telephones, bathrooms

Observation Units

Unanswered Question #1

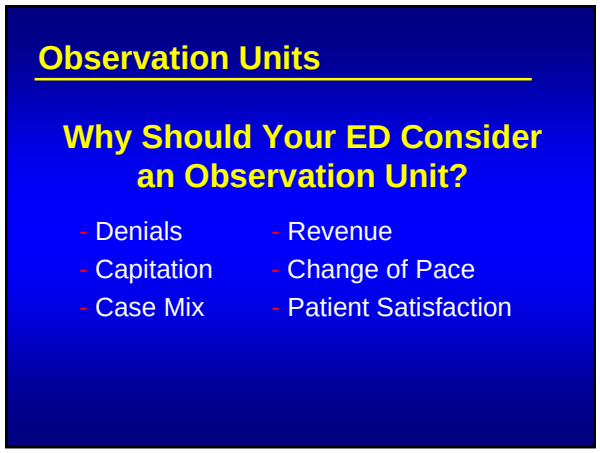
- Effect of APC's

Observation Units

Unanswered Question #2

- When should ED visit end and observation begin?
- How long should ED visit be?

Notes


Observation Units
Why Should Your ED Consider an Observation Unit?
- Denials
- Capitation
- Case Mix
- Revenue
- Change of Pace
- Patient Satisfaction