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## Two-Midnight Rule Review 9.16.15

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### Summary

- On July 1, 2015, CMS released the updates to the “Two Midnight” rule.
- CMS emphasis on physician’s medical judgment
- Physician or other practitioner must decide whether to admit as inpatient or treat as outpatient
- CMS observed a higher frequency of extended observation services
- Inpatient admissions will generally be payable under Part A if the admitting practitioner expected the patient to require a hospital stay that crossed two midnights and the medical record supports that reasonable expectation
- All treatment decisions for beneficiaries were based on the medical judgment of physicians
- CMS sought to respect the judgment of physicians

### Opinion:

- Medicare is emphasizing time (two midnights) and physician judgment to determine if inpatient hospitalization is appropriate for payment under Medicare part A.

### BMG policy:

- Patients hospitalized in Observation services have three options at the 48 hour mark
  1. Discharge
  2. Patient remains OBS only if there is a delay in care, facility delay in testing, physician delay in consult, etc.
  3. If the attending physician continues to opine that his/her patient requires continued hospitalization then the patient is changed to inpatient status by the attending physician and he/she will document in the chart his/her medical judgment as to why his/her patient requires continued hospitalization