



**REALTIME  
MEDICARE  
DATA**

BETTER DATA. FORWARD THINKING.

### **Observation Services (Deeper Dive)**

The Centers for Medicare & Medicaid Services (CMS) is forcing physicians to avoid the non-committal aspect of care known as “observation.” In CMS’ view, observation patients, which most often come through the Emergency Room, are taking up a bed and expending other resources needed for acute care patients. CMS is focusing on changing traditional behaviors in this area because it speaks to CMS’ mission of having providers give the right care, at the right time, in the right place, and for the right cost.

When a patient stays at the hospital under observation for a number of days, that model can conflict with the value and efficiency-based priorities CMS is seeking to create. The data tells us that, in many cases, patients can sit in observation for days, never having done anything except consume resources available for acute care cases.

While today’s mantra of some ER physicians may be “treat and street,” it will no longer be acceptable to do that under the new guidelines from CMS.

Instead, CMS is forcing physicians to take “responsibility” for the patient.

As you can see in the Deeper Dive below, several states already appear to be vulnerable to such CMS scrutiny; in these cases, observation usage is substantially disproportionate to nationwide trends.

RealTime Medicare Data, LLC

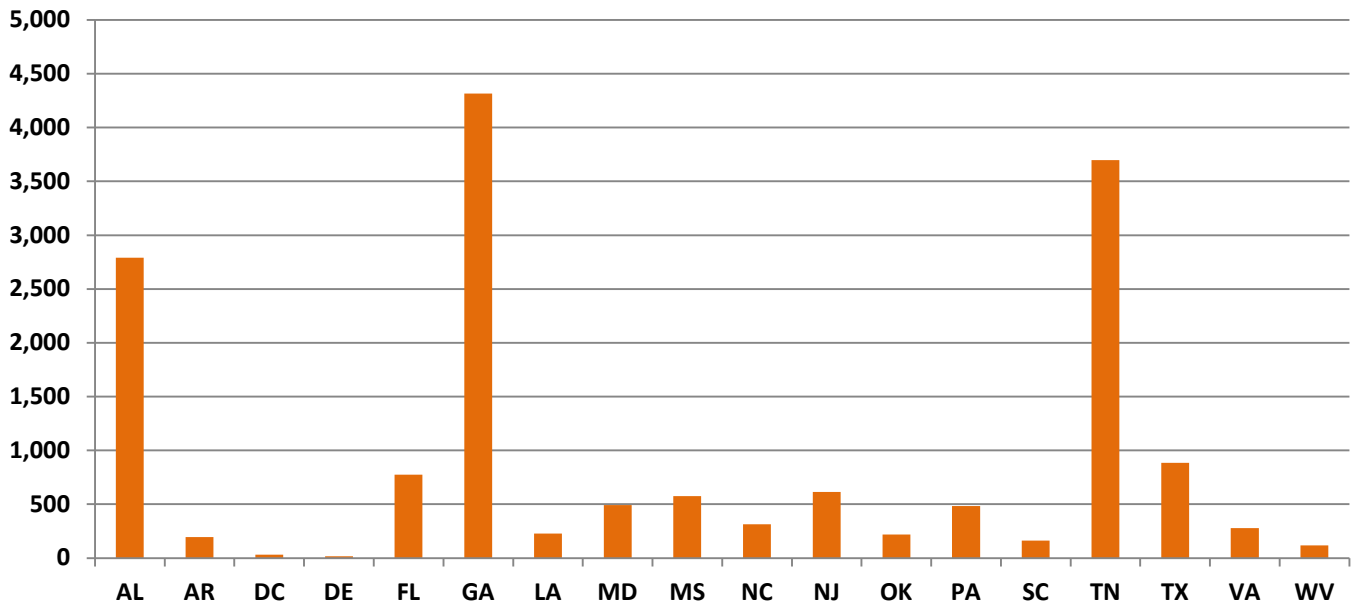
Phone: (205) 941-1211

E-mail: [info@rtmd.org](mailto:info@rtmd.org)

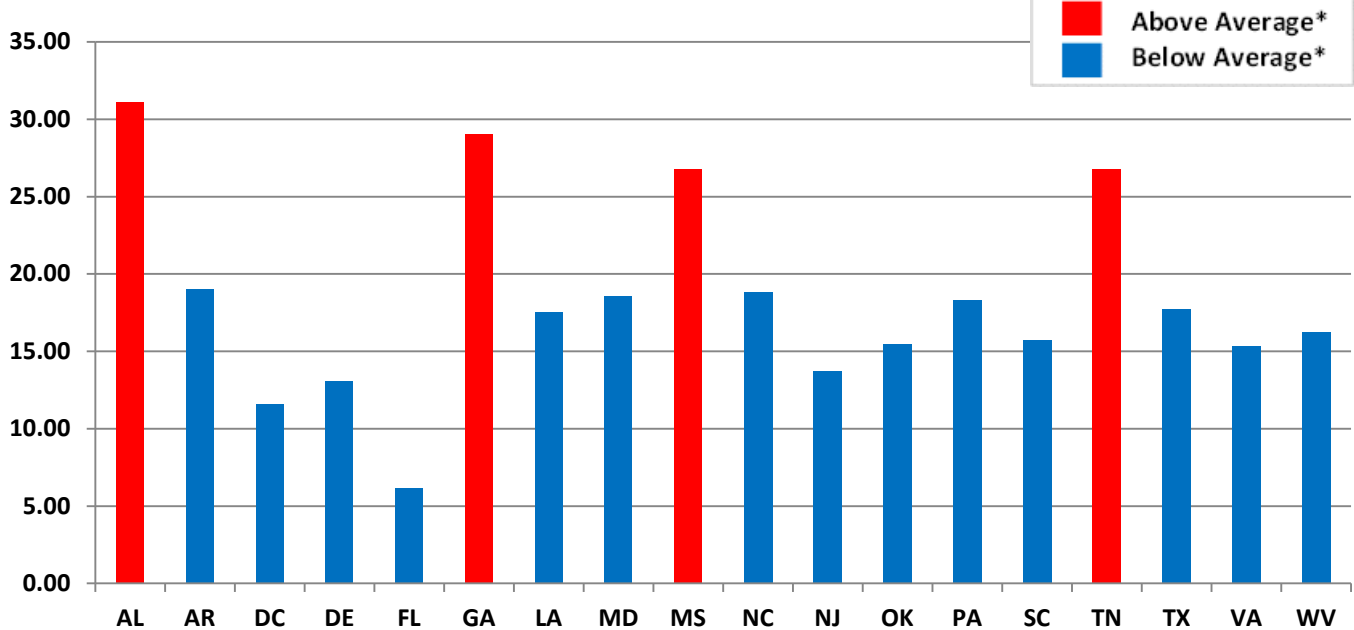
Web: [www.rtmd.org](http://www.rtmd.org)



### Total Patients Observed *June 2013*



### Average Hours Billed Per Patient Observed *June 2013*



\*Average is based on the above 17 states and the District of Columbia.



**Observation Services:  
Hours Billed for Top 3 Principal Diagnoses  
June 2013**

STATE / TOP 3 PRINCIPAL DXs	HOURS BILLED
<b>AL</b>	
78659-Chest pain, other	8,289
78650-Chest pain, unspecified	8,143
7802-Syncope and collapse	3,923
<b>AR</b>	
7802-Syncope and collapse	274
34590-Unspecified epilepsy without mention of intractable epilepsy	215
4580-Orthostatic hypotension	147
<b>DC</b>	
59971-Gross hematuria	64
34590-Unspecified epilepsy without mention of intractable epilepsy	29
78659-Chest pain, other	24
<b>DE</b>	
78659-Chest pain, other	65
7802-Syncope and collapse	24
7804-Dizziness and giddiness	22
78650-Chest pain, unspecified	22
<b>FL</b>	
78659-Chest pain, other	260
2859-Unspecified anemia	201
78079-Other malaise and fatigue	194
<b>GA</b>	
78659-Chest pain, other	13,700
78650-Chest pain, unspecified	12,436
7802-Syncope and collapse	5,908



### Observation (Louisiana through Pennsylvania)

STATE / TOP 3 PRINCIPAL DXs	HOURS BILLED
<b>LA</b>	
7804-Dizziness and giddiness	163
27651-Dehydration	120
78659-Chest pain, other	120
<b>MD</b>	
78650-Chest pain, unspecified	915
78659-Chest pain, other	789
7802-Syncope and collapse	587
<b>MS</b>	
78650-Chest pain, unspecified	1,425
78659-Chest pain, other	1,019
7802-Syncope and collapse	897
<b>NC</b>	
78659-Chest pain, other	422
7802-Syncope and collapse	199
78650-Chest pain, unspecified	189
<b>NJ</b>	
78659-Chest pain, other	914
7802-Syncope and collapse	498
78650-Chest pain, unspecified	395
<b>OK</b>	
78650-Chest pain, unspecified	363
7802-Syncope and collapse	219
78659-Chest pain, other	146
<b>PA</b>	
78659-Chest pain, other	1,177
7802-Syncope and collapse	440
78097-Altered mental status	390



## Observation (South Carolina through West Virginia)

STATE / TOP 3 PRINCIPAL DXs	HOURS BILLED
<b>SC</b>	
78650-Chest pain, unspecified	178
78659-Chest pain, other	126
78605-Shortness of breath	124
<b>TN</b>	
78650-Chest pain, unspecified	10,221
78659-Chest pain, other	9,638
7802-Syncope and collapse	4,503
<b>TX</b>	
78650-Chest pain, unspecified	648
78659-Chest pain, other	645
27651-Dehydration	436
<b>VA</b>	
78650-Chest pain, unspecified	407
78659-Chest pain, other	364
2859-Unspecified anemia	149
<b>WV</b>	
78659-Chest pain, other	99
78079-Other malaise and fatigue	62
496-Chronic airway obstruction, not elsewhere classified	60