6750 OBSERVATION

FUNCTION

Observation services are those services furnished by the hospital on the hospital’s premises, including use of a bed and periodic monitoring by the hospital’s nursing or other staff, which are reasonable and necessary to determine the need for a possible admission to the hospital as an inpatient. Such services must be ordered and documented in writing as to time and method (FAX, telephone, etc.), given by a medical staff practitioner. Observation services may or may not be provided in a distinct area of the hospital. Notwithstanding the location of the service, all expenses, revenue, statistics, and price compliance must be included in the reporting of the Observation center. Extended recovery time for scheduled ambulatory surgery patients should be included in the reporting of the Same Day Surgery center. Additional activities include, but are not limited to the following:

Monitoring of vital life signs; collecting sputum, urine, and feces; operating of specialized equipment and assisting physicians during patient examination and treatment; changing of dressings and cleaning of wounds and incisions; observing and recording the emotional stability of patients; observing patients for reaction to drugs; administering specified medication; and infusing fluids including I.V.s and blood.

Description

This cost center contains the direct expenses incurred in providing bedside care to observation patients. Included as direct expenses are salaries and wages, employee benefits, non-physician professional fees, non-medical/surgical supplies, purchased services, and other direct expenses and transfers.

Standard Unit of Measure: Hours

Report the number of hours commencing at the time a valid order for observation is made and ending when all clinical or medical interventions have been completed, including follow-up care furnished by hospital staff and physicians that may take place after a physician has ordered the patient be released or admitted as an inpatient or at midnight of the day before a patient is admitted. This service usually does not exceed one day. Some patients may, however, require a second day of observation services. Only in rare and exceptional circumstances should reasonable and necessary observation services span more than 48 hours. The minimum observation time is one hour; any partial hours are rounded to the nearest full hour.

Data Source

The number of hours shall be the total of the actual count of clock hours of observation services provided.

Reporting Schedule

Schedule D - Line D55