

**Observation Medicine Section Meeting**

**MINUTES**

Tuesday, October 27, 2015  
Boston, MA

**Participants**

Section members participating for all or part of the meeting included: Christopher Baugh, MD, MBA, FACEP, Chair; Anwar Osborne, MD, FACEP, Chair-elect; Pawan Suri, MD, Co-Secretary/Newsletter Editor; Neil K. Roy, MD, Co-Secretary/Newsletter Editor; Sharon E. Mace, MD, FACEP, Alternate Councillor; Sukhi Bains, MD; Robert S. Bennett, MD; Christopher Caspers, MD; Mark P. Foran, MD; Louis G. Graff, MD, FACEP; Michael A. Granovsky, MD, FACEP; Brian C. Hiestand, MD, FACEP; Tadeusz Korszun, MD, FACEP; David M. Larson, MD, FACEP; Eustace Lashley, MD, FACEP; Andrew W. Lee, MD; Murray McLachlan, MD, FACEP; A. Robb McLean, MD, FACEP; George W. Molzen, MD, FACEP; Mark Rosenberg, DO, MBA, FACEP; Kruti Shukla, MD; Mike Turturro, MD, FACEP; Carissa J. Tyo, MD; Hao Wang, MD, FACEP; Leah Honigman Warner, MD; Matthew Wheatley, MD, FACEP; Gentry Wilkerson, MD, FACEP; Liz Withers, MD; and Kristy Ziontz, DO.

Others participating for all or part of the meeting included: Kelly Bookman, MD, FACEP; Robert Bramante, MD, FACEP; Peter “Rocky” Samuel, MD, MBA; Amanda W. Smith, MD; Rebecca B. Parker, MD, FACEP, Board Liaison; Sandra M. Schneider, MD, FACEP, ACEP Staff Liaison; Julie Rispoli, Project Manager.

**Agenda**

Welcome  
Councillor Report  
CMS Policy Update  
Observation literature in review  
Review past year  
New business

**Major Points Discussed**

The first item that was discussed was the 3 day stay rule for Medicare patients. The hope is that new legislation/regulation will permit days spent in Observation status will count toward the 3 day stay required. It is anticipated that the final rule will be announced by the end of the year. There will be an article forthcoming in ACEP now and a toolkit available. Even today stays in obs count toward the SNF benefit and are not challenged by MC.

There was discussion about Medicare reimbursement for observation reimbursement. There is the need for more local data, particularly about the out of pocket expenses paid by patients. High out of pocket costs are unusual and generally occur when there is a longer stay in obs.

There was also discussion about the 2 midnight rule. Few audits have been done on this rule.

There was discussion about self-administered medications in obs which often led to a higher cost. This is particularly true with opioids and medications that need to be refrigerated. The issue is the very high charges from hospitals. Charges are very high, but few patients and insurance companies end up paying full charge. However for the few that do, these charges are very significant. There was a request to review your charge master for these costs.

There was a discussion about the acute care continuum and the place that observation plays. This will become important as we move into alternative payment models.

Dr. Sharon Mace was reelected by acclamation as alternate councilor for one more year so that the normal progression from alternate councilor to councilor can happen next year.

There was interest in moving the section toward developing a research network, perhaps around cancer or pulmonary embolism. There was also interest in sharing how observation units integrate resident and medical student rotators.