

Observation Turnaround Service

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+ DEPTH™**



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Medical facilities often struggle to assure that their Emergency Department (ED) patients are admitted to the most appropriate level of care while maintaining compliance and profitability. With the ever growing complexities of meeting medical necessity, coupled with the scrutiny of Recovery Audit Contractors (RAC) and the Office of Inspector General (OIG), many hospitals find themselves in one of the following situations:

- Over utilizing observation services to avoid compliance issues and potential revenue recoupment, resulting in a loss of inpatient revenue;
- Under utilizing observation services due to lack of a formalized case management and billing process, resulting in loss of observation revenue.

Many hospitals engage a third party vendor to supplement their internal case management resources. The hospital often utilizes these external resources to review their observation cases to validate the appropriateness of the observation services and potential admissions. While this type of arrangement may meet immediate needs, it does little to help hospitals eliminate their dependency on external resources and the related ongoing expense.

BESLER Consulting has developed an assessment of observation status management in order to build a work plan that will diminish the hospital's reliance of costly third party case management services. The assessment will also encompass an audit of observation billing practices to determine if the hospital is receiving appropriate reimbursement.

The outcome of the assessment is a work plan that will assist the hospital in addressing the following strategic questions:

- How can we use our internal resources to effectively make the inpatient vs. observation determination on a concurrent basis?
- Why are we incurring the expense of both internal and external resources that perform the same function?
- Do we have a plan to utilize existing internal resources more effectively to reduce or eliminate reliance on external support?
- Does our current approach do anything to ensure that we are receiving all of the reimbursement to which it is entitled when we do bill for observation?

If your hospital is looking for answers to these questions or any other observation questions, contact Jeffrey Lampman at 732-392-8223 or at jlampman@besler.com.

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BESLER
CONSULTING
www.besler.com

CONSULTANTS IN HEALTHCARE FINANCE AND OPERATIONS

3 Independence Way
Suite 201
Princeton, NJ 08540
phone 609.514.1400
fax 609.514.1410

1 Adams Place,
859 Willard St., Suite 400
Quincy, MA 02169
phone 781.353.6419
fax 781.353.6499

32 Anna Street
Ocean Ridge, FL 33435
phone 561.622.9068
fax 609.514.1410