Patients need an appropriate transition plan to safely discharge from the Emergency Department (ED) or hospital. At times, this requires a patient to remain in the hospital until a transition plan is arranged despite lacking medical necessity for Inpatient (IP) or Observation (OBS) services. In this case, the patient may be best designated as an Outpatient in a Bed (OPIB) for a variety of reasons. The goal is to clearly identify these patients without medical necessity as soon as possible and to manage the patient until the appropriate transition can be arranged.

**Purpose of Outpatient in a Bed**

The OPIB designation provides a way to generally classify patients occupying acute care beds in a hospital without medical necessity. This designation provides a way to accurately reflect the needs of a patient in the following two categories:

- **Social Admit**: Patient is placed in a bed for the convenience of patient/family/doctor, often through the emergency department, while waiting for arrangements for an appropriate transition.

- **Outpatient Treatment**: Patient is receiving outpatient treatments like blood transfusion, hemodialysis, and/or chemotherapy and no other medical necessity is apparent.

**How will an OPIB designation impact the health system?**

An OPIB designation will improve hospital operations and patient care, such as:

- **Billing and Reporting**:
  - Decrease risk of denials by preventing inappropriate billing of Outpatient Status with Observation Services
  - Improve reporting by representing a more accurate hospital OBS length of stay (LOS) by classifying medical patients who no longer need Outpatient Status with Observation Services as OPIB

- **Capacity**:
  - Enable the utilization review nurse to better prioritize the OBS patients who require more frequent medical necessity review
  - Indicate patients who are medically stable for discharge to the care team
  - Prompt the care team to document avoidable delays
  - Promote care team communication about patient designations
Comparing OPIB to Other Statuses and Designations

To understand how to use the OPIB status, it is important to understand how other statuses differ as defined by the Center for Medicare and Medicaid Services (CMS):

• **Inpatient Status** is for patients who have medical necessity to be in the hospital whose length of stay is reasonably expected to span two midnights. Once a patient is admitted as an inpatient, they should remain inpatient for the duration of their hospital stay (except for patients who were inaccurately placed in an inpatient status upon admission [code 44]). If the patient no longer has medical necessity to be in the hospital, a code and/or flag can be used to indicate that the patient is remaining in the hospital while a safe discharge plan is arranged.

• **Outpatient Status with Observation Services** is for patients who have medical necessity to be in the hospital and whose length of stay is not expected to span two midnights. Observation services have a start and stop time with inclusion and exclusion criteria. Observation services are meant to determine if care should be provided in an inpatient setting or in a lower level of care. When medical necessity is no longer required, and observation services are complete, the patient should be discharged or switched to Outpatient in a Bed designation to avoid inappropriate billing while a safe discharge plan is arranged.

• **Outpatient Procedure (Extended Recovery)** is for patients hospitalized for a planned surgical procedure (not on the Medicare Inpatient Only List). If the patient requires additional supervision/monitoring after the procedure is performed, they may be placed in an Outpatient Extended Recovery status. Once a patient is medically stable and no longer needs to be in the hospital for supervision/monitoring, they can be switched to Outpatient in a Bed status while a safe discharge plan is arranged. Note: If the arrangement of a discharge plan is only taking a few hours, there is no need to switch the patient to Outpatient in a Bed designation.

Leading Practice

If a health system is lacking back end processes to determine whether to bill for observation services, or if it’s looking to streamline their discharge processes, the organization should consider implementing OPIB.

As a health system begins to implement an OPIB designation, they should first determine the current state of how patients appropriate for an OPIB designation are managed using process mapping. A process should be designed for identifying appropriate patients for an OPIB designation, converting the patient type in the Electronic Medical Record (EMR), and managing the patient throughout the remainder of their stay. Often, the care team can identify a patient who is no longer meeting IP or OBS status during daily interdisciplinary rounds and update the discharge plan or seek alternative discharge options for the patient. Part of the plan should include an escalation process for the care team to involve Case Management and medical leadership to try to expedite the discharge process. After identifying patients who are appropriate for OPIB, the attending physician should update the patient’s status.

After a future state process is developed, Case Management and senior leadership should review metrics and reporting to determine optimal bed capacity. Case Management staffing should be aligned to ensure adequate coverage to continue care progression. The care team should pursue parallel efforts to provide basic patient care and to escalate the patient case to the appropriate committee.
Summary

By implementing OPIB status and related procedures, making sure to consistently identify and manage patients who occupy acute care beds without medical necessity, hospitals can decrease their risk of denials and expedite discharges. This focus will ultimately ensure a patient understands their status and that their benefits are used appropriately.