



<b>Policy Title</b>	IP-PreService Auths not on the CMS IPO or MCG Inpatient List Criteria
<b>Policy Department</b>	Utilization Management
<b>Effective Date</b>	3/16/2023
<b>Revision Date(s)</b>	3/10/2020, 4/1/2021, 2/18/22, 3/2/22.1/25/23

**Disclaimer:**

Clover Utilization Management applies CMS criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Clover Policies, and MCG for determining medical necessity. Clover Policies are intended to provide a standard guideline but are not used to preempt providers' judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

**Purpose:**

The purpose of this policy is to establish Clover Health's review process to determine when hospital inpatient care meets medical necessity and is appropriate for the care needed by the member.

**Scope:**

The decision to admit a patient into a hospital to receive inpatient care is a complex medical decision, based on the physician's clinical expectation of how long the hospital care is anticipated to be necessary and the individual member's unique clinical circumstances.



### **Policy:**

When reviewing a case to render a determination, the Clover guidelines within this policy will be utilized to determine the outcome of the decision and to assist in determining whether to authorize approval for hospital inpatient care. This policy is to assist in the decision making in addition to clinical judgment based on the medical review.

### **Definitions:**

1. **CMS Inpatient Only (IPO) List:** CMS updates an IPO list annually to identify CPT/HCPCS that can only be billed as inpatient claims. "Inpatient only" services are generally, but not always, surgical services that require inpatient care because of the nature of the procedure, the typical underlying physical condition of patients who require the service, or the need for at least 24 hours of postoperative recovery time or monitoring before the patient can be safely discharged.
2. **CPT/HCPCS:** Codes created by CMS for reporting medical procedures and services
3. **Comorbidity:** describes the effect of all other conditions an individual patient might have other than the primary condition of interest. The term can indicate either a condition existing simultaneously, but independently of another condition or a related medical condition.
4. **MCG:** MCG Health's guidelines offer an evidence-based approach to the most cost effective care in a variety of health care settings.

### **Procedure:**

CMS continues its long-standing recognition that the decision to admit a patient as an inpatient is a complex medical decision, based on the physician's clinical expectation of how long hospital care is anticipated to be necessary, and should consider the individual member's unique clinical circumstances.

When reviewing medical necessity for Authorization for hospital inpatient care, consider the below criteria when deciding whether or not to approve for Inpatient status.

1. **Take into consideration the below criteria which would warrant inpatient admission:**
  - a. The authorization is a Pre-service request with a service (CPT/HCPCS) code that is on the CMS IPO list or MCG Inpatient list
  - b. Active medical conditions and/or comorbidities:



- i. Complex medical cases who have active medical conditions and/or comorbidities that would require inpatient hospital care and where observation care would not be sufficient to address the active medical condition and/or comorbidity. Active conditions and/or comorbidities that would significantly increase the member's risk or would require more than 24 hours of postoperative monitoring.
- c. Bilateral procedures (ie. bilateral Knee Arthroplasty procedures)

**2. When reviewing the medical records consider the below:**

- a. The members history, comorbidities, current medical needs, the severity of signs and/or symptoms.
- b. Examples of active comorbidities including (eg, heart failure, renal failure, anemia, chronic obstructive pulmonary disease)
- c. If no Complex medical conditions exist which cannot be managed in Observation or Outpatient settings, then Clover Health would deny the case for the IP-PreService and only approve for outpatients if the procedure meets medical necessity.

**References**

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM10080.pdf>

[CY 2023 Medicare Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System Final Rule with Comment Period \(CMS 1772-FC\)](#)

[CMS Addendum B Codes](#)

