



# **Observation Medicine: Patient-first Clinical Care Drives Success and Efficiency**



Research shows that protocol-driven observation medicine can improve outcomes and lower costs.<sup>1</sup> However, as hospitals struggle with staffing shortages and clinician turnover, managing an effective observation medicine program can be challenging. And while the pandemic appears to be waning in severity, cases are up and hospitalization rates have increased—up 20% in 45 states, adding to these challenges.<sup>2</sup> All of this makes observation medicine more difficult, especially for busy emergency departments that are already short on space and staff.

Even in the best of times, it can be challenging to manage the delicate balance of knowing when to keep patients in observation, when to admit them, or send them home. Hospitals want to do what's best for the patient while being mindful of clinical efficiency and the impact on reimbursement. The fallback is often to play it safe and keep the patient in observation, regardless of whether it's actually clinically warranted.

The answer is to create a patient-first central observation unit (COU). Research shows that the effective use of observation units leads to shorter lengths-of-stay, lower costs, and billions in saving for hospitals each year.<sup>3</sup>

## WHERE TO BEGIN

When creating a COU, hospitals need to follow evidence-based protocols based on industry benchmarks. **Following are five key areas on which to focus.**

1. Aim for 24 hour lengths-of-stay, even though the benchmark is 15 hours. The goal of this approach is to meet the needs of patients that aren't quite sick enough to be admitted but most likely do not need to go home. This is the patient-centric "kind way" of doing observation medicine.
2. Track the appropriate metrics: Hourly length-of-stay, conversion to inpatient, daily census, and use of consultants.
3. Conduct weekly touchpoints with multi-disciplinary observation team. Participants should include the observation nurse manager, the director of the observation unit, a charge nurse, and a care manager working on the unit. This team should come together once a week to look at the weekly data to identify barriers and share wins.
4. Provide transparency of data for the clinicians providing the care. Sharing metrics is an essential part of driving improvement and setting goals.
5. Ensure you're using proper inclusion/exclusion criteria.



<sup>1</sup> <https://pubmed.ncbi.nlm.nih.gov/23019185/>

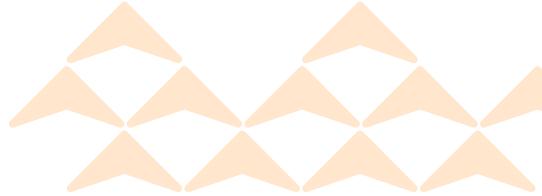
<sup>2</sup> <https://www.beckershospitalreview.com/public-health/covid-19-cases-tick-up-in-9-states.html>

<sup>3</sup> <https://pubmed.ncbi.nlm.nih.gov/23019185/>



# HOW TO DETERMINE APPROPRIATE INCLUSION CRITERIA

The best way to ensure optimal clinical and financial outcomes from an COU is to have standard guidelines that everyone follows.



## Observation Appropriate

- Length of stay greater than 8 hours and less than 2 midnights
- Further workup or medication required and/or diagnosis not yet established
- No symptomatic vital sign abnormalities
- Age 18 years or greater



## Unlikely Observation Appropriate\*

- Alcohol (dependence or withdrawal) requiring medical management
- Placement issues/custodial care; without a concrete plan in 12 hours
- AMS where cause is unknown
- Psychiatric patients (primary psychiatric diagnosis that is new or worsening requiring admission)
- Electrolyte abnormalities causing EKG or cardiac rhythm abnormalities or requiring treatment with hypertonic saline
- Hepatic encephalopathy
- Awaiting single study that can be done on an outpatient bases or for convenience
- COPD exacerbation
- Sepsis or known bacteremia
- Sickle cell pain crisis
- Acute pancreatitis
- Partial bowel obstruction
- Acute kidney injury/renal failure more than twice baseline and not from volume loss or BOO

\*Use clinical judgement in all cases to determine appropriate placement



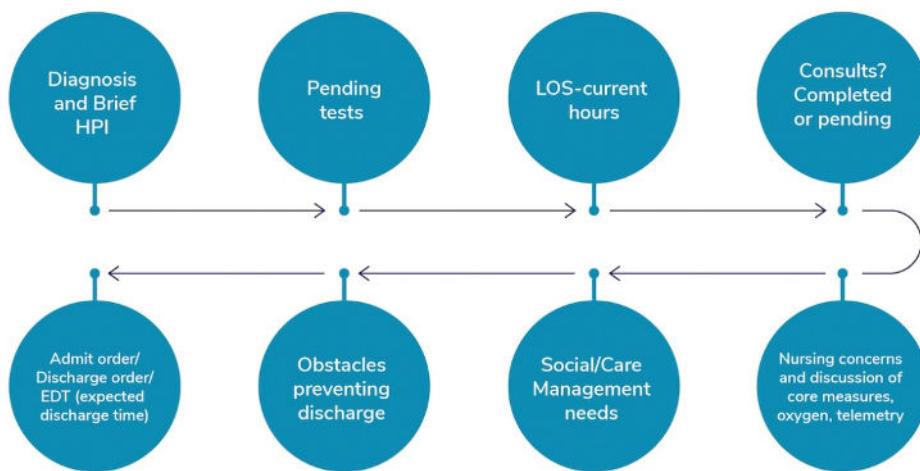
## STAFFING AND MANAGEMENT

The best COUs have a robust care management team and appropriate connections throughout the community. This is critical as it's impossible to have an effective OCU without a good care management team in place. This includes engaged physician advisors to help determine where patients go. But with today's staffing shortages, the issue is how to find the time and resources to create, manage and staff such units when already strained clinicians are working long hours to cover for personnel shortages. Many health systems have addressed this

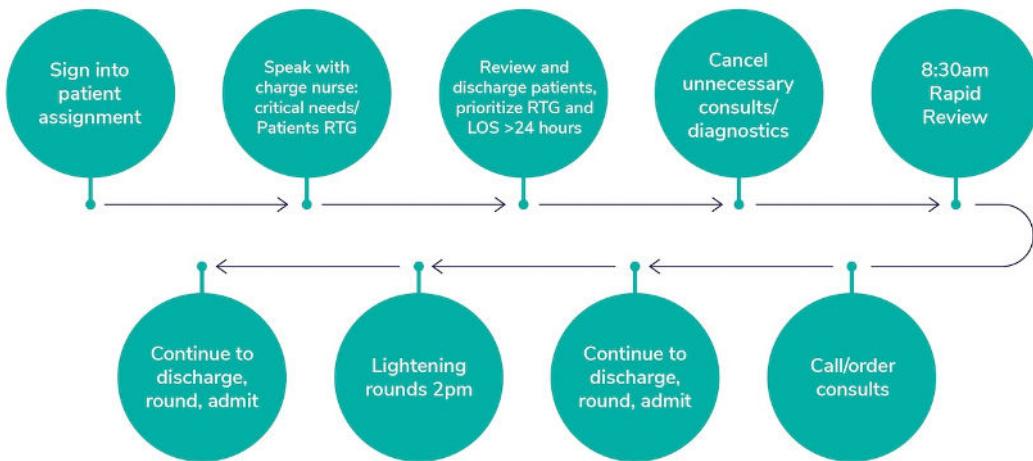
issue by leveraging APP hospitalists to both manage and staff their OCU, whether for ED-run or separate stand-alone units.

One of the top benefits of using APP hospitalists is that it mitigates the ambiguity around who owns a patient in observation. In the hospitalist model, that role falls on the APP hospitalists; they manage both the patient review process and observation workflows.

### APP Hospitalist-run Rapid Review Process



### Hospitalist APP Observation Workflow





## SUCCESS STORY

Founded in 1919, CalvertHealth Medical Center is a part of CalvertHealth, the largest private employer in Calvert County, Maryland, with nearly 1,400 employees. CalvertHealth has close to 350 providers offering more than 45 specialties. CalvertHealth is committed to providing quality care and a positive patient experience. As such, they are always looking for ways to improve performance and streamline patient throughput.

CalvertHealth decided to partner with Adfinitas Health, a physician-led provider of clinical care through staffing services and value-based collaborative care, to establish its new COU. The decision to go with Adfinitas Health was made based on the medical center's existing relationship with Adfinitas Health, a relationship that was initially created for the purpose of improving performance around sepsis, reducing acquired urinary tract infections, and streamlining patient throughput.

Although the medical center did not have pre-data to compare metrics before and after the start of the COU, they are reporting excellent numbers, especially around LOS and conversion rate. Kasey Schnebly, DNP, CRNP, CPHQ, Director of Quality at CalvertHealth says, **“Since starting the observation unit, they [Adfinitas Health] have categorically maintained a favorable consistency on its length of stay (LOS) metrics averaging less than 24 hours over the last six months, a remarkable feat despite enduring pandemic volumes. Moreover, the conversion rate, represented by observation patients being admitted to inpatient status, is another highly praised accomplishment.”**



CalvertHealth is also showing success in its “comparative length of stay” data between the COU and the rest of the hospital. Since observation patients can be located in other departments of the hospital, CalvertHealth is able to compare data. That data clearly shows that the COU is outperforming the same clinical practice taking place in other parts of the hospital.

Schnebly, who worked with the medical director at CalvertHealth, says,

**“Succeeding in observation medicine is a fine balance of following rules and inclusion/exclusion criteria, while utilizing the resources and providers that are readily available. Sometimes you already have everything you need but need to rearrange the deck chairs to get the desired outcome. An observation mindset is critical to success. Observation units cannot be run like any other unit in a hospital.”**

## ABOUT ADFINITAS HEALTH

Adfinitas Health has more than a decade of experience managing high-quality, cost-effective hospitalist programs. The company's APP and physician hospitalists can deliver greater value for organizations with its physician-APP team approach, utilizing well-trained APPs with continued physician oversight.

**1,458**

Reported national median annual work RVU for APP hospitalists<sup>4</sup>

**3,536**

Median annual work RVU for Adfinitas APP hospitalist

**\$198,750**

Average financial support (not including salary/benefits) per physician FTE<sup>5</sup>

**\$124,000**

Average financial support (not including salary/benefits) per FTE APP



**“The community physician model wasn’t working for us any longer. We would call doctors and they wouldn’t answer because they had no backup, no coverage. Adfinitas Health and its APP model now allow us to take more difficult patients, achieve better outcomes and improve our reputation.”**

Teresa Robinson, Director of Nursing, Sagepoint Senior Living Services

## EMBRACING A NEW APPROACH

An effective central observation unit can improve outcomes, lower costs, and enhance the patient experience—all while facilitating optimal reimbursement. In these challenging times, finding the resources to staff and manage a COU can be difficult. Partnering with APP hospitalist providers like Adfinitas Health can help hospitals realize all the benefits of a COU without adding additional stress to their clinicians. It’s a win-win for hospitals, clinicians, and patients alike.

<sup>4</sup> Society of Hospital Medicine. State of hospital medicine report 2020. Philadelphia: Society of Hospital Medicine; 2020, p. 209.

<sup>5</sup> Society of Hospital Medicine. State of hospital medicine report 2020. Philadelphia: Society of Hospital Medicine; 2020, p. 91.



Learn more about Adfinitas Health by visiting  
[www.AdfinitasHealth.com](http://www.AdfinitasHealth.com)