



May 13, 2022

*Administrator*  
Washington, DC 20201

Ronald Hirsch, MD, FACP, CHCQM, CHRI  
Vice President, Regulations and Education Group  
R1 RCM, Inc.  
Physician Advisory Solutions  
1323 SE 4<sup>th</sup> Avenue  
Fort Lauderdale, FL 33316

**Re: Petition for Review of CMS QIO Manual Chapter 4, Section 4110**

Dear Dr. Hirsch,

On January 10, 2022, we received a petition you submitted via email on behalf of Physician Advisory Solutions, to the U.S. Department of Health and Human Services (“HHS” or “the Department”) pursuant to the HHS Good Guidance Practices Regulation, 85 Fed. Reg. 78,770 (Dec. 7, 2020). *See also* 45 C.F.R. § 1.5(a)(1). Your petition, attached as Exhibit A, pertains to the Centers for Medicare & Medicaid Services (“CMS”) Quality Improvement Organization (QIO) Manual. Specifically, your petition relates to Section 4110 of Chapter 4 of the QIO Manual and requests that this Section be reviewed and updated:

- QIO Manual, Chapter 4, Section 4110, Admission/Discharge Review - (Rev. 2, 07-11-03):

The QIOs must conduct review of admissions and discharges as specified in 42 CFR 476.71(a)(6). Review of the medical record must indicate that inpatient hospital care was medically necessary, reasonable, and appropriate for the diagnosis and condition of the patient at any time during the stay. The patient must demonstrate signs and/or symptoms severe enough to warrant the need for medical care and must receive services of such intensity that they can be furnished safely and effectively only on an inpatient basis.

Specifically, your petition states that this section omits reviews conducted for Short Stay admission, the “Two-Midnight Rule”, and criteria regarding time-based admissions. Your petition also alleges that Medicare Advantage plans use this guidance to deny payments to providers. Thus, your petition requests, in accordance with 45 C.F.R. § 1.5(a)(2), that the Department modify Section 4110 of Chapter 4 of the QIO Manual.

After review and consideration of your petition, CMS agrees that this guidance document has not been updated to reflect the policies governing Short Stay admission. Therefore, CMS agrees that the QIO Manual, Chapter 4, Section 4110, should be updated to include Short Stay admission (Two-Midnight Rule) reviews.

CMS will review and update Section 4110 of the QIO Manual to reflect criteria regarding Short Stay admissions. The target date for revisions is December, 2022.

Thank you for bringing this to our attention.

Sincerely,

A handwritten signature in blue ink that reads "Chiquita Brooks-LaSure". The signature is written in a cursive, flowing style.

Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare & Medicaid Services

# EXHIBIT A

**From:** [Ronald Hirsch](#)  
**To:** [Good.Guidance \(HHS/OGC\)](#)  
**Subject:** Request to Update Manual  
**Date:** Monday, January 10, 2022 10:43:41 AM  
**Attachments:** [image001.png](#)

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Good morning.

I would request that HHS review and update the QIO Manual chapter 4, section 4110  
<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/qio110c04.pdf>

### **4110 - Admission/Discharge Review - (Rev. 2, 07-11-03)**

The QIOs must conduct review of admissions and discharges as specified in 42 CFR 476.71(a)(6). Review of the medical record must indicate that inpatient hospital care was medically necessary, reasonable, and appropriate for the diagnosis and condition of the patient at any time during the stay. The patient must demonstrate signs and/or symptoms severe enough to warrant the need for medical care and must receive services of **such intensity that they can be furnished safely and effectively only on an inpatient basis.**

This section is woefully out of date. It became obsolete in Oct, 2013 when the 2014 IPPS Final Rule adopted the Two Midnight Rule and the time-based admission criteria. Yet at least one Medicare Advantage insurer still refers to this provision in order to deny payments to providers, as you can see in the UHC Policy Number: MCS046.03 found here:

<https://www.uhcprovider.com/content/dam/provider/docs/public/policies/medadv-coverage-sum/hospital-services-inpatient-outpatient.pdf>

Thank you.

**Ronald Hirsch, MD, FACP, CHCQM, CHRI**  
**Vice President, Regulations and Education Group**  
**R1 RCM Inc.**  
**Physician Advisory Solutions**  
M: 847-471-7273

The opinions expressed are those of the author and do not necessarily reflect the views, policies, or opinions of R1 RCM Inc.



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