

CHAPTER 2

HEALTHCARE SETTINGS

Author: Carriann Smith, BS, PharmD

Healthcare is provided in a variety of settings usually categorized as inpatient or outpatient. **Table 2-1** displays examples of inpatient and outpatient facilities and more details are provided in this chapter. Examples of facilities that provide inpatient services include hospitals and nursing homes. Various facilities that provide outpatient care include physician offices and urgent care centers.

Healthcare Settings	
Inpatient	Outpatient
<ul style="list-style-type: none"> ● Hospitals ● Mental institutions ● Nursing homes ● Long-term acute care facilities ● Long-term skilled nursing facilities ● Inpatient rehabilitation centers 	<ul style="list-style-type: none"> ● Physicians' offices ● Urgent care centers ● Emergency departments ● Home health agencies ● Outpatient surgery centers ● Rehabilitation centers ● Dialysis centers ● Sports medicine clinics ● Chemotherapy centers

Table 2-1. Examples of inpatient and outpatient facilities

While these general distinctions exist, a facility may function as an inpatient or outpatient setting depending on the type of treatment being given and admission status of an individual patient. For example, inpatient facilities, such as hospitals, may have outpatient offices and provide outpatient services, such as surgeries, rehabilitation, and ambulatory clinics, without admittance to the hospital.¹ Determining whether someone is admitted as an “inpatient” or seen at the facility as an “outpatient” impacts how bills will be submitted and paid.

INPATIENT CARE

Not everyone who goes to the hospital is considered an inpatient. Based on various factors, such as the prescriber's judgement of the situation, seriousness of the condition, and medical necessity for hospital services, the physician will choose whether or not to order admission for a patient.¹ The decision to admit may not be immediate. A patient in a hospital bed may be considered an observational outpatient (sometimes termed "obs") to allow physicians time to run tests and/or make further evaluations before they decide whether to fully admit as an inpatient or discharge to home or another facility. Patients can only be considered observational (i.e., outpatient) for less than 24 hours before a decision must be made on whether they will be admitted. This observation may or may not include an overnight stay and the observation can occur anywhere in the hospital, including the ED.¹

A patient will typically be admitted if the patient is expected to need at least two days of hospital care that can be provided by the facility.¹ If the physician determines that the patient does not need to be admitted, they will discharge the patient from their care. However, if the physician has ordered admission, the hospital must then formally accept the order and admit the patient as an inpatient. Hospitals may only allow physicians to have admitting privileges excluding other practitioners.²

Types of Institutions

Hospitals

Hospitals are commonly recognized as the provider for acute care services. Hospitals can be classified in a number of different ways, including type of service provided, ownership, and average length of stay.³ Type of service includes two main types of hospitals: general and specialty.³ General hospitals, such as Massachusetts General Hospital, provide a wide range of services with few limits. These services include surgeries, labor and delivery, and treatment of most of acute disorders or illnesses. Specialty hospitals, such as Peyton Manning Children's Hospital or MD Anderson Cancer Center, focus on specific types of patients or specific illnesses or diseases.³

There are two primary types of hospital ownership: public and private. Public hospitals may be owned by the federal, state, or local government.⁴ The federal government owns and operates federal hospitals, such as the Veterans Administration (VA).⁵ The VA consists of hospitals, clinics, and nursing homes that provide care and services solely for retired United States armed forces veterans.⁵ Other examples of federal hospitals and networks include Indian Health Services, which provides healthcare for Native Americans.⁴ Facilities owned

and funded by state governments typically include long-term facilities for psychiatric patients and those with chemical dependency and addictions. Local governments, such as counties, also fund and operate hospitals. These hospitals are usually general hospitals that are open to anyone, regardless of insurance or their ability to pay for care.⁵ Often thought of as “safety-net” hospitals, these facilities often focus on providing services to underserved populations at reduced costs.

Private hospitals typically only provide care to patients who are part of their private network, except for emergencies.⁵ Private hospitals are named because of their private source of funding. They are not government operated and may be either non-profit or for-profit.^{4,5} Non-profit hospitals are frequently affiliated with charitable organizations or religious denominations.⁴ As a non-profit hospital, the government does not require them to pay taxes. Profits are reinvested in operating expenses, hospital improvement, or donated to the community rather than given to shareholders or private investors.³ For-profit hospitals are owned by private corporations. A portion of their profits are used for operations and making improvements and some of their profits are disbursed to owners and investors via dividends.³

Hospitals may also be classified by how long patients are expected to stay in the facility. Short-term hospitals, also known as acute care hospitals, care for their patients for an average of less than thirty days.⁶ Patients are admitted for short-term needs, such as routine surgery or an acute illness like pneumonia, receive the care they need, and are discharged home. Long term acute care hospitals provide care for patients who need to stay for an average of thirty or more days.³

Long Term Acute Care Facilities (LTAC)

In the past, patients would stay in a general hospital for their entire acute critical illness episode, including time needed for recovery.⁷ With the advent of LTAC facilities, patients who need additional care are transitioned to these facilities.⁸ Patients moved to LTAC facilities typically do not need as much intensive care as they previously received for their injury or condition from an acute care hospital, but they still have needs for ongoing care that they cannot receive outside of a facility.⁷ Some of the services typically offered at LTAC facilities include respiratory therapy, head trauma treatment, and intensive pain management.⁸ With the additional time and care, patients have been shown to have experienced improvement in their conditions and fewer re-admittances for similar or related conditions.⁸ LTAC hospitals have proven to be successful in reducing costs and improving patient outcomes.

RS was admitted to an inpatient facility following a serious motor vehicle accident. RS had damage to several internal organs and is still on a ventilator. He has been transferred to a LTAC facility until he can be weaned from the ventilator and begin rehabilitation.

Nursing Facilities

Nursing facilities, more commonly known as nursing homes, provides long term nursing care without the level of medical attention or specialty provided at LTAC facilities.⁸ This type of long term care may involve around-the-clock nursing, custodial care or both. Skilled care is care administered when direct medical attention is needed and provided by a licensed medical professional in a certified facility. Custodial care may be performed by someone without professional medical skills either at home or in a facility. Custodial care provides assistance with activities for daily living (ADLs), like eating and bathing, and not direct medical treatments.

Inpatient Rehabilitation Centers

Sometimes when patients are past their acute illness they still need functional assistance but not medical assistance. This functional therapy is provided by occupational therapists, physical therapists, or speech language pathologists. The goal of these therapies is to assist the patient in returning to as much of their normal functioning as quickly as possible.

OUTPATIENT CARE

Physician Offices and Integrated Care Models

As often portrayed on TV, physician offices traditionally featured a physician, a nurse, and office staff. While some of these sole practitioner offices still exist today, integrated care offices are becoming more common. These primary care practice models have multiple physicians and other practitioners, such as pharmacists, physician assistants, nurse practitioners, and social workers to meet the needs of their patients.

In the spirit of providing value based care, there has been increased interest in healthcare delivery models that are more patient-focused. These models include Patient-Centered Medical Homes (PCMHs). These practices represent a primary care delivery model focused on comprehensive, coordinated, and integrated management of all aspects of a patient's health.⁹

Emergency Departments

Emergency departments (EDs) and various outpatient clinics may be part of a hospital or health system. Many patients with limited resources use the ED for nonurgent care, resulting in around 10 million nonurgent visits per year.

Urgent Care Centers

Urgent care centers are walk-in clinics that offer a variety of services during convenient hours. Although they are not quite as equipped for emergencies as EDs, urgent care centers can be used when doctors' offices are closed and are much cheaper than EDs.

Retail Clinics

Often seen in pharmacies and grocery stores, retail clinics are operated for patient convenience. Physicians are not required and they are staffed by nurse practitioners or physician assistants.

Ambulatory Surgery Centers

Some minor surgeries don't require an overnight stay. Approximately two-thirds of surgeries performed in the last 10 years were outpatient surgeries.⁹

Other Outpatient Models

Other models of outpatient care include community health centers, charitable clinics, local government health departments, home health, hospice, telemedicine, and complementary/alternative medicine.

Why are Patients Increasingly Seeking Outpatient Services?

Since the 1980s, the volume of outpatient services delivered has grown considerably. Advances in medicine and technology have enabled us to provide more advanced treatments in outpatient settings. The introduction of the Medicare Prospective Payment System in 1983 changed the way hospitals were reimbursed for inpatient hospitalizations and encouraged shorter lengths of stay.³ This provided incentive to continue treatment in outpatient settings without payment restrictions.¹⁰

Increased use of outpatient services and fewer doctors pursuing primary care practice provides an opportunity for pharmacists to increase their involvement in the primary care setting. Residencies are now available and the Board of Pharmacy Specialties offers a

specialty certification in ambulatory care pharmacy practice. Similar to outpatient care, ambulatory care includes all health-related services in which patients walk to seek their care.¹¹

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