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Sticky inflation, Fed drama and the rise of 'cute' debt



HCA is based in Nashville and has hospitals around the country. A member of Congress has asked the U.S. Department of Health and Human Services to open an investigation into questions about its practices around hospital admissions. *Blake Farmer/WPLN News*

OCT 20, 2022

When should patients be admitted to a hospital through the ER?

A hospital giant faces questions about whether it's been too quick to admit patients to the hospital from the emergency room.

by [Blake Farmer](#)



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After 10 days with COVID, Jennifer Smithfield of Springfield, Tennessee, was still feeling weak and having some trouble breathing. It was the weekend and so her primary care physician suggested going to the emergency department.

Smithfield went to HCA's flagship Centennial Medical Center near its headquarters in Nashville, where she has a long history as a patient. To her surprise she was admitted on a Sunday and wouldn't go home until Wednesday.

"Even though I did not feel well, I didn't feel like it was bad enough to be hospitalized, especially not multiple days," she said.

Smithfield was put on low-flow oxygen and admitted but said she wasn't hooked up to any monitors until the next morning, which made her think she probably wasn't in bad shape. Even her personal doctor was texting, asking why they admitted her.

According to a [2018 study](#), fewer than one-in-five ER patients is admitted these days. Smithfield began questioning her three-day stay after reading about data suggesting HCA is [much quicker to admit patients](#) than non-HCA hospitals.

"I've put a phenomenal amount of trust in doctors over the last decade," she said, referencing her own treatment for leukemia. "I don't want to be in a place mentally where I'm starting to have to question doctors."

There's a big difference between being kept in the ER for observation — even overnight — and being fully admitted as an inpatient, especially the cost. Smithfield racked up roughly \$40,000 in charges, owing \$6,000 out of pocket. She's now disputing the bill.

In suburban Miami, Dr. Camilo Ruiz [filed a whistleblower lawsuit](#) in 2018 accusing HCA of having a defacto quota system. He said supervisors hounded him with warnings and even threatened his job unless he started admitting more patients to meet his targets. Attorneys used Medicare data to show HCA hospitals nationwide are increasingly admitting patients for low-level maladies like nausea and back pain while non-HCA hospitals are going the opposite

direction.

The government decided not to take on the investigation — so Ruiz chose not to pursue it on his own. His attorneys and the U.S. Department of Justice declined to comment.

“Why these cases arise involves the push pull between the incentive between the business side of health care,” said attorney Ken Nolan of Nolan Auerbach & White in Fort Lauderdale, which has [successfully represented health care workers](#) who filed other lawsuits over fraudulent hospital admissions. “[It’s] between providing just enough services versus over-utilization.”

But attorney Jacob Tubbs of Birmingham-based Price Armstrong, who works on whistleblower cases, said hospital admissions fraud is tough — even for federal prosecutors.

“We know that what we’re going to have to ultimately prove, or the United States government is going to have to prove using our whistleblower, is that the medical care was objectively unnecessary,” he said. “What you’re talking about is really a subjective standard.”

Now the data from the closed HCA whistleblower case is getting a second life.

A national labor union, which represents thousands of hospital workers, has previously challenged hospital systems on admissions fraud, including a case against Community Health Systems. The company based in Franklin, Tennessee, settled for [\\$98 million](#) in 2014.

An investigative report on similar findings at HCA from the Service Employees International Union inspired Rep. Bill Pascrell, a New Jersey Democrat who chairs a congressional oversight subcommittee, to launch an inquiry into HCA. He sent a [letter](#) to HCA CEO Sam Hazen requesting information on admissions and in September [formally asked](#) U.S. Health and Human Services officials to investigate.

The SEIU estimates the government paid HCA \$1.8 billion for unnecessary care over the last decade.

“If you have a system the size of HCA who’s seeming so brazen with this ... this should be looked at by anyone who has authority over Medicare,” said SEIU researcher Joseph Lyons.

HCA has questioned the motives of the SEIU, which represents many of its workers. It also said

in a statement that its doctors are not incentivized to admit patients.

“We categorically reject any allegation that physicians admit patients to our hospitals on the basis of anything other than their independent medical judgment and their patients’ individual conditions and medical needs,” said a statement provided by HCA spokesperson Harlow Sumerford. “There are no HCA Healthcare policies, processes or practices that require physicians to admit patients to our hospitals.”

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