

Hospital Services: Observation and Inpatient

Policy Number: 2026T0643I
Effective Date: January 1, 2026

[➔ Instructions for Use](#)

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Related Commercial/Individual Exchange Policy
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Community Plan Policy
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Medicare Advantage Policy
• Hospital, Emergency, and Ambulance Services

Application

UnitedHealthcare Commercial

This Medical Policy applies to UnitedHealthcare Commercial benefit plans.

UnitedHealthcare Individual Exchange

This Medical Policy applies to Individual Exchange benefit plans.

Coverage Rationale

UnitedHealthcare uses InterQual® as a source of medical evidence to support medical necessity and level of care decisions, when applicable. InterQual® criteria are intended to be used in connection with the independent professional medical judgment of a qualified health care provider and do not constitute the practice of medicine or medical advice.

[Click here to view the InterQual® criteria.](#)

An observation level of care is often used to manage the following clinical conditions and symptoms (list is not all-inclusive):

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|-------------------------------------|---|--------------------------------------|
| • Abdominal pain | • Chronic obstructive pulmonary disease | • Pneumonia |
| • Allergic reaction (generalized) | • Croup | • Poisoning/toxic ingestions |
| • Altered mental status (confusion) | • Dehydration | • Renal colic, kidney stone |
| • Anemia | • Diabetes mellitus | • Seizures |
| • Asthma | • Epistaxis | • Syncope and collapse |
| • Atrial fibrillation | • Febrile illness | • Transient ischemic attack (TIA) |
| • Back pain | • Gastroenteritis | • Urinary tract infection |
| • Bronchiolitis | • Heart failure | • Vaginal bleeding (non-obstetrical) |
| • Bronchitis | • Hemoptysis | • Weakness |
| • Cellulitis | • Migraine | |
| • Chest pain | | |

If the individual's condition does not improve within 48 hours, additional clinical information should be submitted to support an inpatient level of care.

Observation services are not medically necessary for the convenience of the hospital, physicians, individuals, or individuals' families, or while awaiting placement to another health care facility.

Note: The observation services portion of this policy does not apply to an obstetric member during pregnancy, childbirth, or the post-partum period.

References

InterQual® Level of Care (LOC): Acute Adult and Level of Care (LOC): Acute Pediatric.

Observation medicine and clinical decision units (overview). Rosen's Emergency Medicine. 10th ed. Philadelphia, PA: Elsevier: June 13, 2022.

Policy History/Revision Information

Date	Summary of Changes
01/01/2026	Template Update <ul style="list-style-type: none">Created shared policy version to support application to Oxford plan membership Supporting Information <ul style="list-style-type: none">Archived previous policy versions 2025T0643H and ADMINISTRATIVE 297.4

Instructions for Use

This Medical Policy provides assistance in interpreting UnitedHealthcare standard benefit plans. When deciding coverage, the member specific benefit plan document must be referenced as the terms of the member specific benefit plan may differ from the standard plan. In the event of a conflict, the member specific benefit plan document governs. Before using this policy, check the member specific benefit plan document and any applicable federal or state mandates. UnitedHealthcare reserves the right to modify its Policies and Guidelines as necessary. This Medical Policy is provided for informational purposes. It does not constitute medical advice.

This Medical Policy may also be applied to Medicare Advantage plans in certain instances. In the absence of a Medicare National Coverage Determination (NCD), Local Coverage Determination (LCD), or other Medicare coverage guidance, CMS allows a Medicare Advantage Organization (MAO) to create its own coverage determinations, using objective evidence-based rationale relying on authoritative evidence ([Medicare IOM Pub. No. 100-16, Ch. 4, §90.5](#)).

UnitedHealthcare may also use tools developed by third parties, such as the InterQual® criteria, to assist us in administering health benefits. UnitedHealthcare Medical Policies are intended to be used in connection with the independent professional medical judgment of a qualified health care provider and do not constitute the practice of medicine or medical advice.