

# Hospital-Acquired Conditions (HAC) in Acute Inpatient Prospective Payment System (IPPS) Hospitals



## HOSPITAL-ACQUIRED CONDITIONS (HAC) AND PRESENT ON ADMISSION (POA) INDICATOR REPORTING

Visit the HAC & POA web page at <http://www.cms.hhs.gov/HospitalAcqCond/> on the CMS website.

### Overview

The Deficit Reduction Act of 2005 (DRA) requires a quality adjustment in Medicare Diagnosis Related Group (DRG) payment for certain hospital-acquired conditions. CMS has titled the program, "Hospital-Acquired Conditions and Present on Admission Indicator Reporting" (HAC & POA).



### Hospital-Acquired Conditions

Section 5001(c) of the DRA required the Secretary to identify, by October 1, 2007, at least two conditions that:

- (a) Are high cost or high volume or both,
- (b) Result in the assignment of a case to a DRG that has a higher payment when present as a secondary diagnosis, and
- (c) Could reasonably have been prevented through the application of evidence-based guidelines.

For discharges occurring on or after October 1, 2008, IPPS hospitals will not receive additional payment for cases when one of the selected conditions is acquired during hospitalization (i.e., was not present on admission). The case would be paid as though the secondary diagnosis were not present.

In August 2007, CMS published the Inpatient Prospective Payment System (IPPS) Fiscal Year 2008 Final Rule. The Final Rule discusses conditions selected for implementation and other conditions for future consideration.

### Affected Hospitals

The Hospital-Acquired Conditions payment provision applies only to IPPS hospitals.

At this time, the following hospitals are EXEMPT from the HAC payment provision:

- Critical Access Hospitals (CAHs)
- Long-Term Care Hospitals (LTCHs)
- Maryland Waiver Hospitals
- Cancer Hospitals
- Children's Inpatient Facilities
- Inpatient Rehabilitation Facilities (IRFs)
- Psychiatric Hospitals





## Category of Conditions

CATEGORY	CONDITIONS
<p><b><u>Conditions selected for implementation</u></b> These conditions will have payment implications beginning October 1, 2008.</p>	<p><b><u>Serious Preventable Events</u></b> Object left in during surgery (998.4 CC) Air embolism (999.1 MCC) Blood incompatibility (999.6 CC)</p> <p><b><u>Catheter-Associated Urinary Tract Infection</u></b> (996.64 CC &amp; one of the following specific infection codes: 112.2, 590.10, 590.11, 590.2, 590.3, 590.80, 590.81, 590.9, 595.0, 595.3, 595.4, 595.81, 590.89, 595.9, 597.0, 597.80, 599.0)</p> <p><b><u>Pressure Ulcers</u></b> (707.00 - 707.01 &amp; 707.09 CCs; 707.02 - 707.07 MCCs)</p> <p><b><u>Vascular Catheter-Associated Infection</u></b> (999.31 CC)</p> <p><b><u>Surgical Site Infection - Mediastinitis after Coronary Artery Bypass Graft (CABG) Surgery (a specific surgical site infection)</u></b> (519.2 MCC &amp; 36.10-.19)</p> <p><b><u>Falls and Trauma – Fractures, Dislocations, Intracranial Injuries, Crushing Injuries, and Burns</u></b> (Codes will be considered in IPPS FY2009 Proposed Rule)</p>
<p><b><u>Conditions being considered for FY2009 IPPS rulemaking</u></b> These conditions raise one or more implementation or policy issues that need to be resolved before they can be selected. CMS will work to address these issues and proposes to reconsider these conditions during the FY 2009 IPPS rulemaking process.</p>	<p><b><u>Ventilator-Associated Pneumonia (VAP)</u></b> (Codes will be considered in IPPS FY2009 Proposed Rule)</p> <p><b><u>Staphylococcus aureus Septicemia</u></b> (038.11 + 995.91, 998.59, 999.3 MCCs)</p> <p><b><u>Deep Vein Thrombosis (DVT) / Pulmonary Embolism (PE)</u></b> (DVT: 453.40-.42 CCs; PE: 415.10 &amp; 415.19 MCCs)</p>
<p><b><u>Conditions needing further analysis</u></b> After exhaustive consideration, CMS determined that further analysis is required before considering these conditions.</p>	<p><b><u>Methicillin-Resistant Staphylococcus aureus (MRSA)</u></b> (Codes will be considered in IPPS FY2009 Proposed Rule)</p> <p><b><u>Clostridium difficile-Associated Disease (CDAD)</u></b> (008.45 CC)</p> <p><b><u>Wrong Surgery</u></b> (Codes will be considered in IPPS FY2009 Proposed Rule)</p>

Note: As specified by statute, CMS may revise the list of conditions from time to time, as long as it contains at least two conditions.

## For More Information

The HAC & POA web page at <http://www.cms.hhs.gov/HospitalAcqCond/> provides further information, including links to the law, regulations, change requests (CRs), and educational resources, including presentations, MLN articles, and fact sheets.

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