



Hospital-Acquired Condition (HAC) Reduction Program

Program Type:

Pay-for-Performance and Public Reporting – HAC scores will be reported on the Hospital Compare website beginning October 1, 2014.

Incentive Structure:

- The 25% of hospitals that have the highest rates of HACs (as determined by the measures in the program) will have their Medicare payments reduced by 1%. The measures in the program are classified into two domains: Domain 1 includes the Patient Safety Indicator (PSI) 90 measure, a composite of eight administrative claims based measures and Domain 2 includes infection measures developed by the Centers for Disease Control and Prevention's (CDC) National Health Safety Network (CDC NHSN). Each domain will be weighted to determine the total score.
- Domain 1 is 35% of the total score and Domain 2 is 65% of a hospital's score.

Program Goals:

- To provide an incentive to reduce the incidence of HACs and improve both patient outcomes and the cost of care.
- To heighten awareness of HACs and eliminate the incidence of HACs that could be reasonably prevented by applying evidence-based clinical guidelines.
- To support a broader public health imperative by helping to raise awareness and action by prompting a national discussion on this important quality problem.
- To drive improvement for the care of Medicare beneficiaries, but also privately insured and Medicaid patients, through spill over benefits of improved care processes within hospitals.

Program Update:

- No new measures were added in the FY 2015 IPPS proposed rule to allow hospitals time to gain experience with the finalized measures.
- For FY 2015, CMS will continue to include PSI-90 in the program measure set. PSI-90 is currently undergoing review by NQF. AHRQ is considering the addition of three additional measures for the composite, PSI #9 Perioperative Hemorrhage or Hematoma Rate, PSI #10 Postoperative Physiologic and Metabolic Derangement Rate, and PSI #11 Postoperative Respiratory Failure Rate. CMS believes this change to be significant and will propose the change in the rulemaking process prior to requiring reporting of the revised measure.
- The CDC NHSN CLABSI and CAUTI measures also recently underwent NQF review. These measures were recommended for continued endorsement.

Critical Program Objectives (include program objectives and strategic issues)

- Align the conditions measured between the HAC Reduction Program and the Hospital Acquired Conditions Present on Admissions Indicator Program (HAC-POA). The HAC-POA Indicator Program implemented a policy of not paying hospitals for hospital acquired conditions when they are secondary diagnoses, or conditions a patient develops after being admitted.
- There is also an overlap in measures between the HAC Reduction Program the Hospital Value-Based Purchasing Program, in particular the MRSA and C. Diff infection measures. CMS wants to focus as much attention as possible on these critical patient safety issues.

- In its 2013-14 round of pre-rulemaking, MAP noted a number of gaps for this program: PSI-5 to address foreign bodies retained after surgery, and development of measures to address wrong site/wrong side surgery and sepsis beyond post-operative infections. In the 2015 IPPS Final Rule, comments received by CMS urge for additional safety measures, in particular PSI-4: Death rate among surgical inpatients with serious, treatable complications (NQF #0351), PSI-16: Transfusion reaction count (NQF #0349), and surgical site infections (SSIs) following hip and knee arthroplasty and SSIs following high-volume procedures such as caesarean section surgery.