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## Media Affairs Office

# MEDICARE FACT SHEET

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## CMS reports rates of hospital acquired conditions in America's hospitals

### **Overview of the Hospital Acquired Condition Measures**

The Centers for Medicare & Medicaid Services (CMS) is publicly reporting the following eight hospital-acquired conditions (HACs) on the *Hospital Compare* website at <http://www.hospitalcompare.hhs.gov>.

- Foreign object retained after surgery
- Air embolism
- Blood incompatibility
- Pressure ulcer stages III and IV
- Falls and trauma
- Vascular catheter-associated infection
- Catheter-associated urinary tract infection
- Manifestations of poor glycemic control

As of April 2011, the *Hospital Compare* website includes a link to HAC rates for inpatient hospital stays. This information is shared with consumers and providers to improve the quality and transparency of care by giving the American public and healthcare professionals better access to important hospital data. The new HAC data complement the inpatient clinical process and patient satisfaction measures already reported on *Hospital Compare* to promote increased scrutiny by hospitals of patient outcomes in the service of providing the right care for every patient, every time.

### **HACs Add to Suite of Outcomes Measures on *Hospital Compare***

CMS has been reporting information about the quality of care available at America's hospitals for several years. Before 2007, this information was limited to inpatient "process of care measures," which demonstrate how well hospitals follow generally recognized protocols believed to result in the best inpatient outcomes.

In 2007, CMS expanded the information on *Hospital Compare* to help consumers understand the outcomes of care at individual hospitals. CMS began reporting outcomes by showing 30-day mortality rates for inpatient hospital stays related to heart attack and heart failure that year. In 2008,

CMS added 30-day mortality rates for pneumonia-related stays as well as 30-day readmission rates for all three of these conditions.

### **Importance of Reporting HAC Measures**

Today's addition of HAC data increases the availability of data for *Hospital Compare* users about the outcomes of inpatient hospital care. Outcomes information is particularly important for *Hospital Compare* users because it provides useful information to help consumers decide which hospital is best for their care. It also helps hospitals improve their processes for ensuring that every patient receives the best care at every encounter.

Reporting hospital acquired condition measures is part of CMS' efforts to incorporate patient safety measures into the Hospital Inpatient Quality Reporting Program, which rewards hospitals for reporting quality data to CMS. More importantly, reporting HAC data demonstrates CMS' commitment to improve patient safety. By making HAC data transparent, CMS sheds light on those preventable events where patients are harmed while seeking care.

HACs are not new to the quality reporting landscape. The Department of Health and Human Services' Office of the Inspector General estimates that 13.5% of hospitalized Medicare beneficiaries experienced adverse events during hospitalization. Furthermore, the National Quality Forum (NQF) published a list of Serious Reportable Events in 2002 and 2006, many of which are considered events that should not occur when patients receive appropriate care. Several of the HACs selected by CMS are part of this list of NQF Serious Reportable Events, and many states have already taken the independent initiative to collect data on these events for hospitals in their states and report these incidents to the public.

In addition to ensuring that Medicare beneficiaries have access to safe care, the incorporation of HAC measures into the Hospital Inpatient Quality Reporting Program helps CMS give hospitals a financial incentive to report the quality of their care, and help consumers make more informed decisions about their care.

### **Legislative Background**

Section 5001(c) of Deficit Reduction Act of 2005 defines HACs as those conditions that are:

1. High cost or high volume or both;
2. Result in the assignment of a case to a diagnosis-related group (DRG) that has a higher payment when present as a secondary diagnosis; and
3. Could reasonably have been prevented through the application of evidence-based guidelines

On July 31, 2008, in the Inpatient Prospective Payment System (IPPS) Fiscal Year (FY) 2009 Final Rule, CMS selected 10 categories of conditions for a HAC payment provision. For discharges occurring on or after October 1, 2008, hospitals no longer receive additional payment for cases in which one of the selected conditions was not present on admission. That is, the case would be paid as though the secondary diagnosis were not present.

Recently, as part of the IPPS FY 2011 Final Rule, CMS adopted eight of these 10 HACs for the Reporting Program.

### **Data Sources**

The HAC Measures are based on Medicare fee-for-service hospital claims data for discharges between October 1, 2008, and June 30, 2010.

Detailed information regarding the development of these measures, their respective methodologies, and how CMS calculates these measures for public reporting can be found at the *QualityNet* website: <http://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier3&cid=1228759488899>. More information about the HAC posting is also available online at <http://www.hospitalcompare.hhs.gov> in the “Hospital Spotlight” section of the page.