DFW-APIC Government Affairs Committee (GAC)

August 2008

TEXAS REGISTER: No PROPOSED or ADOPTED rules with IP&C Content since last verbal report given on 06/05/08.

CMS: Pay for Performance Update*

Summary Medicare inpatient prospective payment system (PPS) final rule –HAC & Quality

The Centers for Medicare & Medicaid Services (CMS) released its fiscal year (FY) 2009 Medicare inpatient prospective payment system (PPS) final rule on July 31, 2008 and will be expected to be published in the August 19 *Federal Register*. Below are links to the CMS press release and the full text of the pre-publication version of the rule.

As anticipated, CMS finalizes the transition to fully cost-based Medicare-severity diagnosis-related groups (MS-DRGs) in FY 2009. **CMS also applies the full market-basket update of 3.6 percent to payments for those hospitals reporting quality data or 1.6 percent for those not reporting.**

HACs

CMS also adds **three of the nine proposed hospital-acquired conditions (HACs**) to the existing eight for which the agency will pay the lower DRG amount if the complication was acquired at the hospital and the patient has no other complications or comorbidities. This includes:

1) Manifestations of poor control of blood sugar levels,
2) Surgical site infections following certain elective procedures,
3) Deep vein thrombosis/pulmonary embolism following total knee and hip replacement procedures.

Rule is posted at: http://www.cms.hhs.gov/AcuteInpatientPPS/IPPS/list.asp
P**ress releases** are posted at:
http://www.cms.hhs.gov/apps/media/press_releases.asp
CMS fact sheets are posted at:
http://www.cms.hhs.gov/apps/media/fact_sheets.asp

Specifics on the proposed—selections from the rule:

"After consideration of the public comments received and in light of the three statutory criteria, we are finalizing several additional conditions for the HAC payment provision."

Adding:
1. Manifestations of Poor Glycemic Control

We believe that extreme manifestations of poor glycemic control are reasonably preventable through the application of evidence-based guidelines and sound medical practice while in the hospital setting; specifically, we believe that they are preventable through the use of routine serum glucose measurement and control which are basic elements of good hospital care. **We are finalizing manifestations of poor glycemic control as an HAC** because we have determined after considering the comments received that these conditions meet the statutory criteria.

2. Surgical Site Infections (Agreed TKR was not eligible in terms of codes)
We are selecting surgical site infections following certain orthopedic procedures, The category of surgical site infection following certain orthopedic surgeries (includes selected procedures that are often elective and that involve the repair, replacement, or fusion of various joints including the shoulder, elbow, and spine) **AND bariatric surgery for obesity**. These procedures will join mediastinitis following coronary artery bypass graft (CABG), which was selected in the FY 2008 IPPS final rule with comment period, as surgical site infection HACs. We look forward to working with stakeholders to identify additional procedures, such as device procedures, in which surgical site infections can be considered reasonably preventable through the application of evidence-based guidelines.

3. Deep Vein Thrombosis (DVT)/Pulmonary Embolism (PE)
We agree with commenters that DVT/PE is reasonably preventable in specific subpopulations, and we are therefore **selecting DVT/PE following certain orthopedic surgeries, specifically certain hip and knee replacement surgeries, as HACs.**

NOT ADDING

4. Delirium
After consideration of the public comments received, we have decided **not to select delirium as an HAC in this final rule**. We will continue to monitor the evidence-based guidelines surrounding prevention of delirium. If evidence warrants, we may consider proposing delirium as an HAC in the future.

5. Ventilator-Associated Pneumonia (VAP)
In light of the public comments that we received, we **are not selecting VAP as an HAC**. We will work in partnership with the CDC and closely monitor the evolving literature addressing the prevention of VAP through the application of evidence-based guidelines. If evidence warrants, we may consider proposing VAP as an HAC in the future.

6. *Staphylococcus aureus* Septicemia
In light of these public comments, we **are not selecting *Staphylococcus aureus* septicemia as an HAC** in this final rule. If evidence warrants, we may consider proposing *Staphylococcus aureus* septicemia as an HAC in the future. We note that several commenters recognized that *Staphylococcus aureus* septicemia cases are being addressed through the vascular catheter-associated infection HAC that was selected in the FY 2008 IPPS final rule with comment period.

7. *Clostridium difficile*-Associated Disease (CDAD)
In light of these public comments, we are not selecting **CDAD as an HAC in this final rule**. However, we continue to receive strong support from consumers and purchasers to include CDAD as an HAC, and we will continue to consult with the CDC

regarding the evidence-based prevention guidelines and coding for CDAD. If evidence warrants, we may consider proposing CDAD as an HAC in the future.

8. Legionnaires' Disease
In light of these public comments, **we are not selecting Legionnaires' Disease as an HAC in this final rule**. Although we are not selecting Legionnaires' Disease as an HAC in this final rule, we will continue to consult with the CDC about the evidence-based prevention guidelines. If evidence warrants, we may consider Legionnaires' Disease and other water-borne pathogens suggested by commenters and noted in section II.F.9. of this preamble (Enhancement and Future Issues) as HACs in the future.

9. Iatrogenic Pneumothorax
In light of these public comments, **we are not selecting iatrogenic pneumothorax as an HAC in this final rule**. Although we are not selecting iatrogenic pneumothorax as an HAC in this final rule, we do recognize this as an adverse event that occurs frequently. We will continue to review the development of evidence-based guidelines for the prevention of iatrogenic pneumothorax. If evidence warrants, we may consider iatrogenic pneumothorax as an HAC in the future.

10. Methicillin-resistant *Staphylococcus aureus* (MRSA)
Though we did **not propose MRSA as a candidate HAC** in the FY 2009 IPPS proposed rule, MRSA can trigger the HAC payment provision. For every infectious condition selected as an HAC, MRSA could be the etiology of that infection. For example, if MRSA were the cause of a vascular catheter-associated infection (one of the eight conditions selected in the FY 2008 IPPS final rule with comment period), the HAC payment provision would apply to that MRSA infection. As we noted in the FY 2008 IPPS final rule with comment period (72 FR 47212), **colonization by MRSA is not a reasonably preventable condition according to the current evidence-based guidelines**. **Therefore, MRSA does not meet the "reasonably preventable" statutory criterion for an HAC**.

Quality Measures and Medical Education payment

CMS retires one measure related to pneumonia and adopts 13 of the 43 quality measures proposed for inclusion within the Reporting Hospital Quality Data for Annual Hospital Payment Update program. This increases the total number of measures from 30 to 42 for payment in 2010. CMS also notes that it intends to adopt two additional measures for FY 2010 if they receive National Quality Forum endorsement by the publication of the final calendar year 2009 outpatient rule.

CMS is not adopting the proposed quality measures that rely on proprietary methodologies and algorithms. (**Referring to STS)**

CMS also officially adopts a cut to capital payments that was initially outlined in the FY 2008 rule. Capital related indirect medical education payments will be cut by 50 percent in FY 2009, and no adjustment will be provided in FY 2010.

* Thank You to Judene Bartley, MS, MPH, CIC, for providing the CMS summary