

Payment Matters®

Update on Medicare and Medicaid Payment Issues

[Subscribe](#)

[Payment Group](#)

[Payment Matters Archive](#)

September 22, 2010

www.ober.com

IN THIS ISSUE

[CMS Continues to Expand Reach of RHQDAPU Program in FY 2011 Rule to Include Hospital Acquired Conditions \(HACs\)](#)

Editors: [Leslie Demaree Goldsmith](#) and [Carel T. Hedlund](#)

CMS Continues to Expand Reach of RHQDAPU Program in FY 2011 Rule to Include Hospital Acquired Conditions (HACs)

By: [Kristin Cilento Carter](#)

In the fiscal year (FY) 2011 Medicare Inpatient Prospective Payment System (IPPS) Rule published last month, CMS continues to expand the reach of the Reporting Hospital Quality Data for Annual Payment Update (RHQDAPU) Program by, among other things, finalizing its proposal to include as quality measures data associated with eight hospital acquired conditions (HACs) effective with the FY 2012 payment update. As discussed in "[CMS' Do-Not-Pay List Continues to Grow](#)," effective October 1, 2008, Medicare no longer provides additional reimbursement for cases where specified conditions were not present on admission. Believing that public reporting of HACs would encourage improvement, CMS will utilize Medicare Part A claims data to measure the following HACs:

- Foreign Object Retained After Surgery
- Air Embolism
- Blood Incompatibility
- Pressure Ulcer Stages III & IV
- Falls and Trauma: (Includes: Fracture, Dislocation, Intracranial Injury, Crushing, Injury, Burn, Electric Shock)
- Vascular Catheter-Associated Infection
- Catheter-Associated UTI
- Manifestations of Poor Glycemic Control

Pursuant to the Rule, CMS will make the data associated with these measures publicly available through the *Hospital Compare* website effective this Thursday,

Payment Matters® is not to be construed as legal or financial advice, and the review of this information does not create an attorney-client relationship.

Copyright© 2010, Ober, Kaler, Grimes & Shriver

Payment Matters®

Update on Medicare and Medicaid Payment Issues

[Subscribe](#)

[Payment Group](#)

[Payment Matters Archive](#)

September 23rd. A preview period during which hospitals have an opportunity to review their data on the Quality Net is currently running from September 16th to September 22nd. See [Quality Net Website, HACs](#).

In addition to the HAC measures, CMS finalizes the addition of the following two chart-abstracted measures for the FY 2012 payment update:

- PSI-11: Post-Operative Respiratory Failure
- PSI-12: Post-Operative Pulmonary Embolism (PE) or Deep Vein Thrombosis (DVT)

CMS also states that it will retire the quality measure "Mortality for Selected Procedures Composite" from the RHQDAPU measure set effective with the FY 2011, because a National Quality Forum (NQF) study found that the measure is "not recommended for comparative reporting" due to significant evidence gaps. This results in 45 total measures to be reported in FY 2011. For the FY 2012 payment update, CMS retains the 45 measures previously finalized for the FY 2011 payment update and adds the foregoing measures (8 HACs + 2 chart abstracted measures), for a total of 55 measures.

Recognizing that hospitals need some lead time for purposes of submitting data on additional quality measures, CMS also finalized new measures for the FY 2013 and FY 2014 payment updates as part of this rule. For the FY 2013 payment update, CMS states it will retain the FY 2012 measures and add one chart-abstracted measure (AMI-Statin on Discharge) and a health care associated infection (HAI) measure (Central Line Associated Blood Stream Infection) for a total of 57 measures. For the FY 2014 payment update, CMS states it will add four new chart-abstracted measures and one HAI measure (Surgical Site Infection), but will retire two chart-abstracted measures. Accordingly, the total quality measures for FY 2014, as of now, will be 60 measures. While CMS anticipates that these will be the final measure sets in FY 2013 and FY 2014, the final rule recognizes that CMS retains the ability to modify these measure sets in order to respond to changes in CMS priorities as well as changes in legislation.

Payment Matters® is not to be construed as legal or financial advice, and the review of this information does not create an attorney-client relationship.

Payment Matters®

Update on Medicare and Medicaid Payment Issues

Subscribe

Payment Group

Payment Matters Archive

In addition to the changes in the measures to be reported, CMS finalized its proposal to synchronize its data submission requirements so that four quarters of data from a single calendar year will be used for determining the annual payment update beginning with FY 2013, as discussed in our article regarding the proposed rule (See "[CMS Continues to Refine RHQDAPU Program in FY 2011 Proposed IPPS Rule](#)"). Starting with FY 2013, CMS will look at whether a hospital submitted data during the four calendar quarters of a single calendar year, i.e., CMS will look at data submitted in CY 2011 for the FY 2013 update.

Finally, CMS continues to encourage providers to adopt electronic health records (EHRs) that meet Department of Health and Human Services standards and suggests that hospitals consider systems that are able to accurately collect quality data. CMS states that it has initiated work directed toward enabling EHR submission of quality measures and will begin testing CMS' capability of accepting chart-abstracted measures through EHRs as early as next summer.

Ober|Kaler's Comments

Hospitals stand to lose 2.0 percent of their market basket update if they fail to comply with the RHQDAPU program requirements. Accordingly, hospitals should ensure that they are timely submitting data for each of the quality measures under the RHQDAPU program. Moreover, as hospitals move forward with adoption and expansion of their EHR systems, they should ensure that the systems adopted have capabilities to capture quality data as CMS is moving in the direction of quality data submission through EHRs.

Finally, to the extent it has not already done so, a Hospital should check its HAC reports on the Quality Net Website by this Wednesday, September 22nd, to correct any errors prior to the data becoming publicly available on September 23rd.