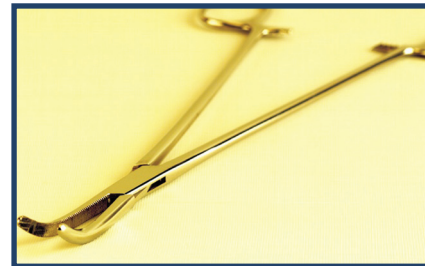


May 2010

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

## Overview

The Deficit Reduction Act of 2005 (DRA) requires a quality adjustment in Medicare Severity Diagnosis Related Group (MS-DRG) payment for certain hospital-acquired conditions. The Centers for Medicare & Medicaid Services (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 an MS-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 2008, CMS published the Inpatient Prospective Payment System (IPPS) Fiscal Year (FY) 2009 Final Rule. The Final Rule discusses conditions selected for implementation and other conditions for future consideration. HACs and complicating condition (CC) or major complicating condition (MCC) codes selected for implementation on October 1, 2008 are found in Table 1. The IPPS FY 2010 Final Rule included CC designations for International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM) codes 813.46 and 813.47. These codes are adopted within the fracture code range for the falls and trauma HAC category.

## 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:

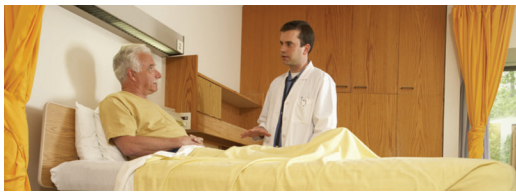
- Critical Access Hospitals (CAHs)
- Long-Term Care Hospitals (LTCHs)
- Maryland Waiver Hospitals
- Cancer Hospitals
- Children's Inpatient Facilities
- Rural Health Clinics
- Federally Qualified Health Centers (FQHCs)
- Religious Non-Medical Health Care Institutions
- Inpatient Psychiatric Hospitals
- Inpatient Rehabilitation Facilities (IRFs)
- Veterans Administration/ Department of Defense Hospitals





**Table 1. HACs and Codes**

HAC	CC/MCC (ICD-9-CM Codes)
Foreign Object Retained After Surgery	998.4 (CC) 998.7 (CC)
Air Embolism	999.1 (MCC)
Blood Incompatibility	999.6 (CC)
Pressure Ulcer Stages III & IV	707.23 (MCC) 707.24 (MCC)
Falls and Trauma: • Fracture • Dislocation • Intracranial Injury • Crushing Injury • Burn • Electric Shock	Codes within these ranges on the CC/MCC list: 800-829 830-839 850-854 925-929 940-949 991-994
Catheter-Associated Urinary Tract Infection (UTI)	996.64 (CC)  Also excludes the following from acting as a CC/MCC: 112.2 (CC) 590.10 (CC) 590.11 (MCC) 590.2 (MCC) 590.3 (CC) 590.80 (CC) 590.81 (CC) 595.0 (CC) 597.0 (CC) 599.0 (CC)
Vascular Catheter-Associated Infection	999.31 (CC)
Manifestations of Poor Glycemic Control • Diabetic Ketoacidosis • Nonketotic Hyperosmolar Coma • Hypoglycemic Coma • Secondary Diabetes with Ketoacidosis • Secondary Diabetes with Hyperosmolarity	250.10-250.13 (MCC) 250.20-250.23 (MCC) 251.0 (CC) 249.10-249.11 (MCC) 249.20-249.21 (MCC)
Surgical Site Infection, Mediastinitis, Following Coronary Artery Bypass Graft (CABG)	519.2 (MCC)  And one of the following procedure codes: 36.10-36.19



HAC	CC/MCC (ICD-9-CM Codes)
Surgical Site Infection Following Certain Orthopedic Procedures <ul style="list-style-type: none"> <li>• Spine</li> <li>• Neck</li> <li>• Shoulder</li> <li>• Elbow</li> </ul>	996.67 (CC) 998.59 (CC) And one of the following procedure codes: 81.01-81.08, 81.23-81.24, 81.31-81.38, 81.83, or 81.85
Surgical Site Infection Following Bariatric Surgery for Obesity <ul style="list-style-type: none"> <li>• Laparoscopic Gastric Bypass</li> <li>• Gastroenterostomy</li> <li>• Laparoscopic Gastric Restrictive Surgery</li> </ul>	<i>Principal Diagnosis</i> – 278.01 998.59 (CC) And one of the following procedure codes: 44.38, 44.39, or 44.95
Deep Vein Thrombosis and Pulmonary Embolism Following Certain Orthopedic Procedures <ul style="list-style-type: none"> <li>• Total Knee Replacement</li> <li>• Hip Replacement</li> </ul>	415.11 (MCC) 415.19 (MCC) 453.40-453.42 (MCC) And one of the following procedure codes: 00.85-00.87, 81.51-81.52, or 81.54

**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.gov/HospitalAcqCond> provides further information, including the links to the law, regulations, change requests (CRs), and educational resources such as presentations and Medicare Learning Network® (MLN) articles and fact sheets.

*The International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM) is published by the United States Government. A CD-ROM, which may be purchased through the Government Printing Office, is the only official Federal government version of the ICD-9-CM. ICD-9-CM is an official Health Insurance Portability and Accountability Act standard.*

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