Beginning next year, Medicare will stop paying hospitals more for treating serious conditions it considers avoidable, such as infections, falls, and objects left in surgical patients. The action is required by a law passed by Congress in 2005.

In August, the Centers for Medicare and Medicaid Services (CMS) identified 8 conditions Medicare will no longer pay extra for after Oct 1, 2008, if they are acquired in the hospital.

Starting Oct 1, 2007, hospitals will have to report on patients who have any of these 8 conditions upon admission.

Three events are ones patient safety experts say should never happen to patients:
- an object left in surgery
- air embolism
- blood incompatibility.

The other 5 were selected by CMS according to criteria set in the law:
- catheter-associated urinary tract infection (UTI)
- pressure ulcers
- vascular catheter-associated infection
- one type of surgical site infection (SSI): mediastinitis after coronary artery bypass graft surgery
- hospital-acquired injuries: fractures, dislocations, intracranial injuries, crushing injuries, burns, and others.

CMS included only 1 type of surgical infection, mediastinitis. CMS says coding isn’t specific enough to identify all types of SSIs, and it’s not always possible to identify which types of SSIs are preventable. CMS will continue to explore this issue for fiscal 2009.

Wrong surgery is not on the list because Medicare does not pay for that anyway. If there is a wrong surgery, CMS would consider that as a possible violation of the Medicare hospital conditions of participation, not as a payment issue.

Selecting the list
Criteria for selecting the 8 conditions are outlined in the Aug 22 Federal Register as part of the 2008 inpatient prospective payment rule. The conditions must:
- be high cost, high volume, or both
- have codes that clearly identify the condition as a comorbidity or complication
- could reasonably have been prevented by following evidence-based guidelines.

In public comments, some urged CMS not to go beyond the first 3 seriously preventable events. They said sicker and more complex patients are at greater risk of hospital-acquired complications, and some problems might be inevitable.

CMS says it believes “there is a significant public health interest” in selecting more than the 3 conditions. In addition, CMS says the law directs it to select conditions that are shown to be preventable by evidence-based guidelines.

The agency is researching whether there should be exceptions for specific circumstances when a condition may not be preventable.

MRSA not on list
Some advocated including “superbug” infections with Methicillin-resistant
Staphylococcus aureus (MRSA) and Clostridium difficile, but CMS decided not to for 2008. MRSA is high volume and high cost and has become very common in and outside the hospital. CMS says it would be difficult to determine if an infection originated in the hospital. It would also be hard to identify in coding. CMS notes that MRSA may be related to other conditions that are on the list, including UTIs, catheter-associated vascular infections, and mediastinitis.

Regarding C difficile, CMS notes there are no evidence-based prevention guidelines. The new rule will require hospitals to perform more tests and assessments at admission, such as screening patients for pressure ulcers and UTIs.

By selecting pressure ulcers, CMS says it will provide hospitals with the incentive to carefully examine patients’ skin on admission to identify any tissue damage.

The final rule bars hospitals from billing patients for charges associated with these conditions.

Private insurers are considering similar policies, according to the Aug 19 New York Times.

The Medicare final 2008 inpatient prospective payment regulation (42 CFR Parts 411, 312, 413, and 489) is in the Aug 22 Federal Register. The section pertaining to errors is on pp 47200-47218. The regulation is available at:
www.access.gpo.gov/su_docs/fedreg/a070822c.html.