CMS proposes pay cut for more conditions

Medicare has proposed more steps to link hospital quality with payment for the 2009 fiscal year and beyond. Nine preventable conditions would be added to the list of those Medicare would no longer pay for at a higher rate. And more than 40 quality indicators would be added to those hospitals have to report to receive a full payment update.

The proposals are in the draft Medicare inpatient payment rule for fiscal 2009 issued April 14. Comments are accepted through June 13.

Among the 9 additional conditions proposed for the pay cut are:
• surgical site infections after some elective procedures—total knee replacement, laparoscopic gastric bypass and laparoscopic gastroenterostomy, and ligation and stripping of varicose veins
• 8 other conditions—Legionnaire’s disease, extreme glycemic derangement, iatrogenic pneumothorax, delirium, ventilator-associated pneumonia, deep-vein thrombosis/pulmonary embolism, Staphylococcus aureus septicemia, and Clostridium difficile-associated disease.

These conditions cause patients and families to suffer needlessly, said Centers for Medicare and Medicaid Services (CMS) acting administrator Kerry Weems. Patients are also likely to have higher medical bills and need treatment that would not have been necessary if the proper care had been given.

CMS is seeking comments on whether to add these conditions to the final rule to be published later this year. These would be in addition to the original 8 conditions Medicare will no longer pay for starting Oct 1, 2008.

Quality reporting
Medicare would also expand quality reporting. In all, 43 measures are proposed to be added to the set hospitals would have to report on in fiscal 2009 to receive a full Medicare inpatient payment update in fiscal 2010, bringing the total list to 73. Proposed measures pertaining to surgery are:
• Surgical Care Improvement Project (SCIP): One new measure: Surgical patients on a beta-blocker who received a beta-blocker during the perioperative period
• Death among surgical patients with preventable surgical complications
• Postoperative wound dehiscence
• Mortality for selected surgical procedures (composite)
• 15 cardiac surgery measures. Over 85% of hospitals with a cardiac surgery program already report these to the Society of Thoracic Surgeons registry, CMS says. Four nurse-sensitive measures are proposed:
  • Failure to rescue
  • Pressure ulcer prevalence and incidence by severity
  • Patient falls prevalence
  • Patient falls with injury.

The other new measures would involve hospital readmissions, inpatient stroke care, venous thromboembolism, and several indicators from the Agency for Healthcare Research and Quality.
MD, hospital relations

The draft rule also has important proposals on physician relations with hospitals, including:
- disclosure to patients of physician ownership or investment in hospitals
- collection of information on these financial relationships
- physician self-referral.

Included is a proposal to revisit the “stand in shoes” provisions on support payments to physicians in the Stark Phase III rules.

CMS is also asking for comments on whether physician self-referral rules should address physician-owned implant or medical device companies. CMS notes that many of these companies are not manufacturers but distributors that profit from the purchase and resale of products. CMS decided not to propose regs on this issue at this time, however.

The proposed CMS role is at www.cms.hhs.gov. Look under Medicare, then Acute Inpatient IPPS, then IPPS Regulations and Notices.