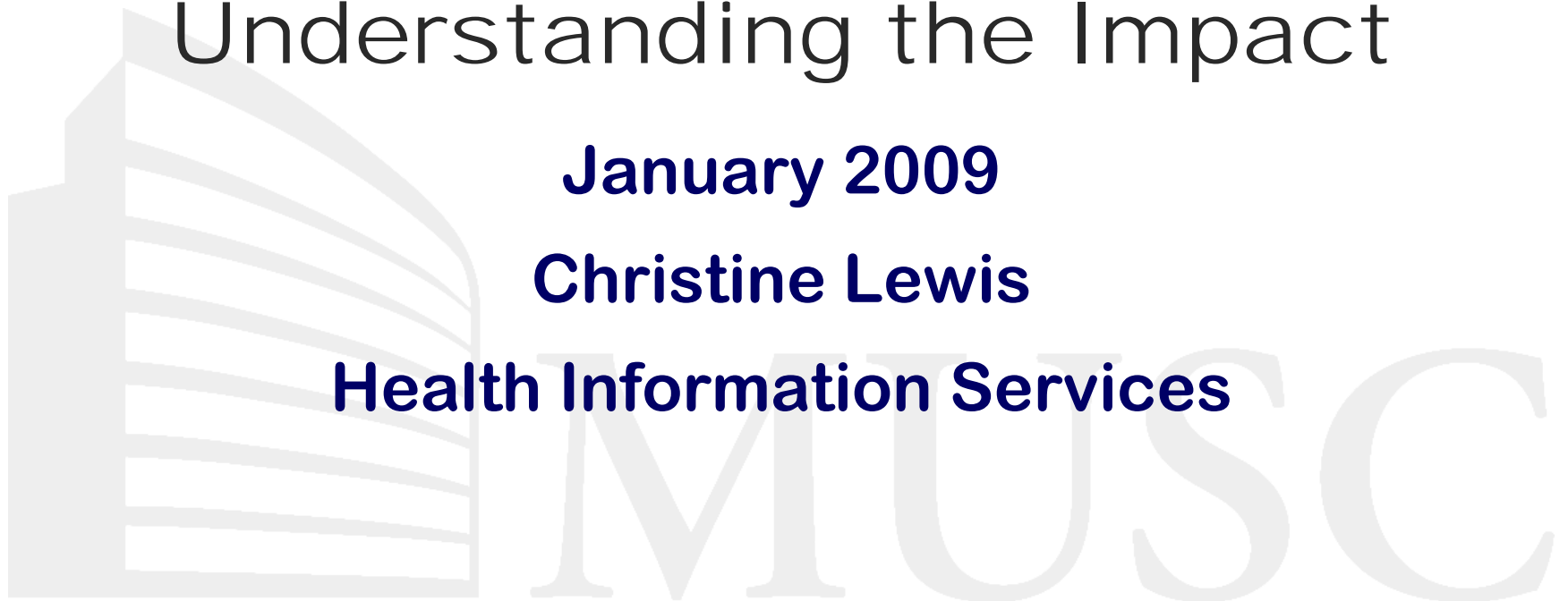


Hospital Acquired Conditions:  
(Present on Admission)  
Understanding the Impact

**January 2009**

**Christine Lewis**

**Health Information Services**



# Objectives

✋ **After reviewing these slides the nurse will be able to:**

- 1. Describe the financial impact of hospital acquired conditions**
- 2. Define POA and Never Event**
- 3. List the hospital acquired conditions that Medicare will not reimburse for care**
- 4. Describe the role of the RN in identifying and documenting present on admission conditions**

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# It's a Federal Law!

✎ The United States Government has decided that it will not pay, through the Centers for Medicare and Medicaid Services (CMS), for certain events that should never occur in a hospital. (called “never events”)

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# History

✎ In 1999, the Institute of Medicine (IOM) estimated that as many as 98,000 deaths a year were attributable to (preventable) medical errors, at a cost of up to \$29 billion.

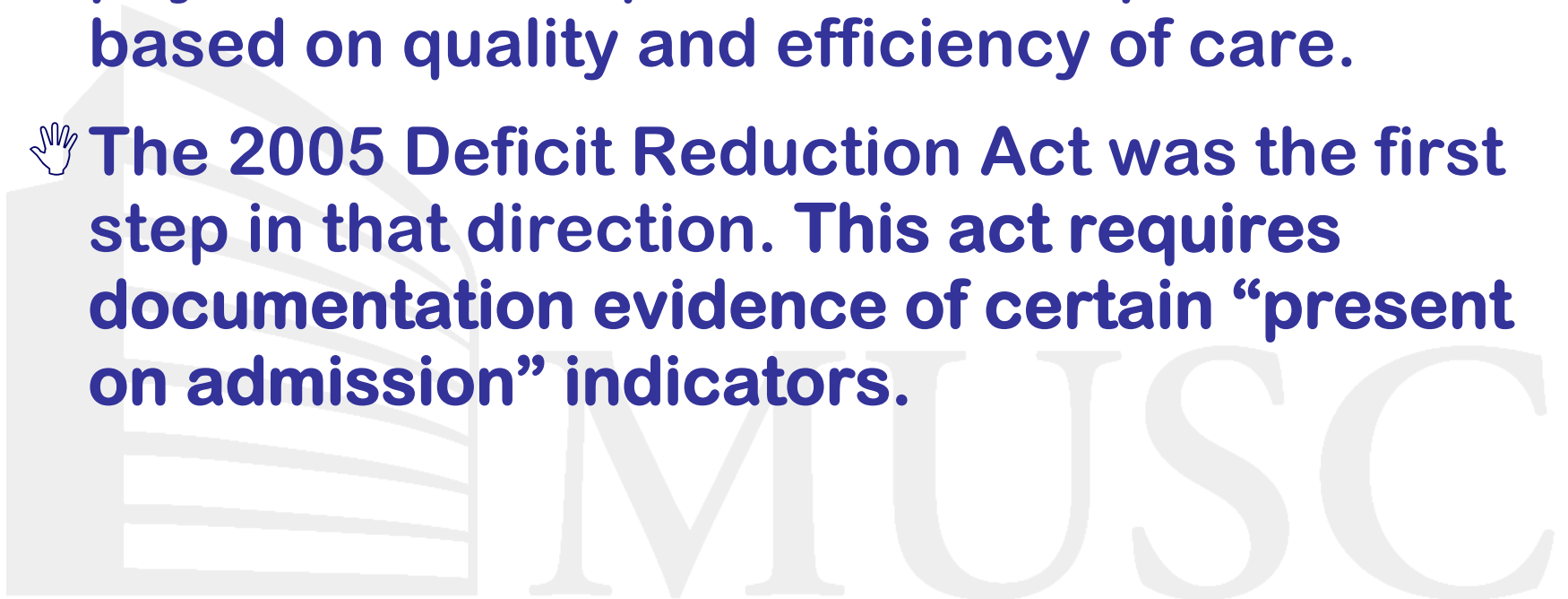
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# What is a Never Event?

- ✎ **Never Events** are errors in medical care that are clearly identifiable, preventable, and serious in their consequences for patients.
- ✎ These events indicate a real problem in the safety and credibility of a health care facility.

# Financial Impact “Never Events”

- ✎ **Payment for these “Never Events” was not consistent with the goals of Medicare payment reforms that would adjust payments to hospitals and care providers based on quality and efficiency of care.**
- ✎ **The 2005 Deficit Reduction Act was the first step in that direction. This act requires documentation evidence of certain “present on admission” indicators.**



# Cost to Medicare for Reimbursing Hospitals for “Never Events” (2007)

👉 **Catheter-Associated Urinary Tract Infections -12,185 cases , \$44,043 average charge per hospital stay**

**\$536.7 million in cost to Medicare**

👉 **Pressure Ulcers (as of 2009, includes only Stage III & IV)- 257,412 cases, \$43,180 average charge per hospital stay**

**\$11.1 billion in cost to Medicare**

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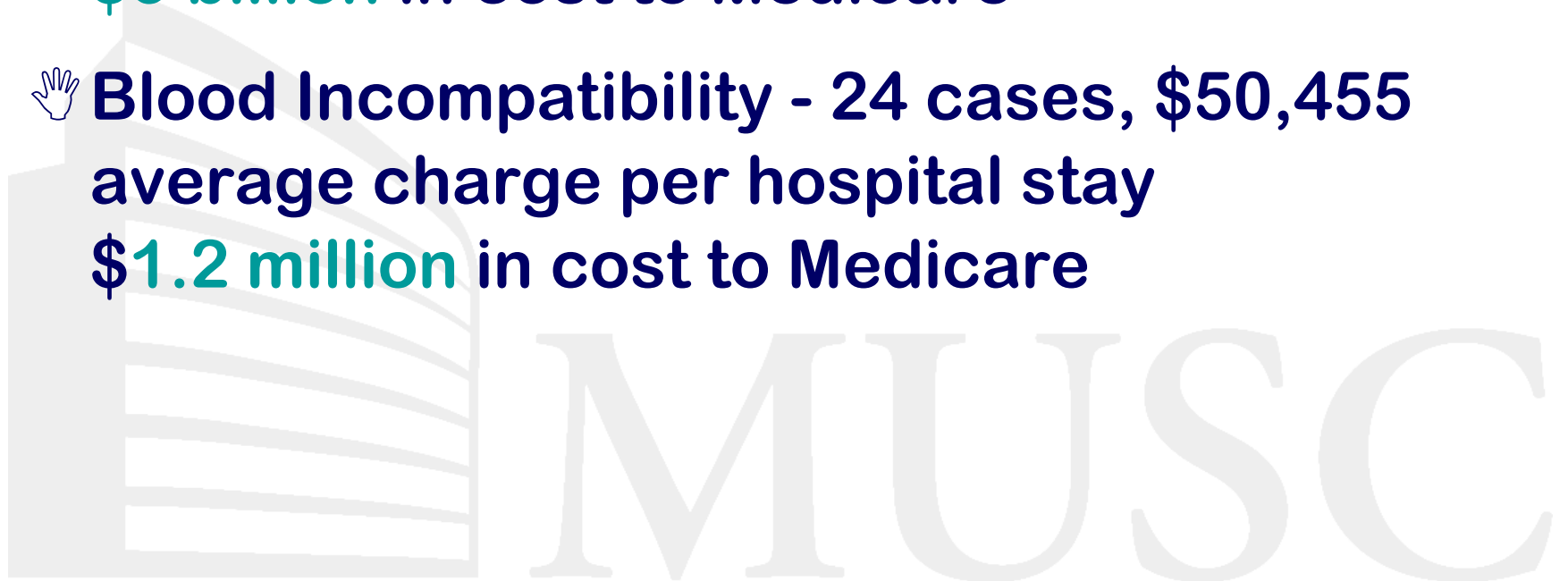
# Cost to Medicare for Reimbursing Hospitals for “Never Events” (2007)

👉 **Vascular Catheter Associated Infections - 29,536 cases, \$103,027 average charge per hospital stay**

**\$3 billion** in cost to Medicare

👉 **Blood Incompatibility - 24 cases, \$50,455 average charge per hospital stay**

**\$1.2 million** in cost to Medicare





# Cost to Medicare for Reimbursing Hospitals for “Never Events” (2007)

✎ **Retained Foreign Body (left in during surgery) - 750 cases, \$63,631 avg charge per hospital stay**  
**\$47.7 million cost to Medicare**

✎ **Air Embolism - 57 cases, \$71,636 avg charge per hospital stay**  
**\$4 million in cost to Medicare**



# Cost to Medicare for Reimbursing Hospitals for “Never Events” (2007)

-  **Surgical Site Infections – Mediastinitis after coronary artery bypass graft (CABG) – 69 cases, \$299,237 average charge per hospital**  
**\$20.6 million in cost to Medicare**
-  **Falls and Trauma (to include Fracture, Dislocation, Intracranial Injury, Crushing Injury, Burn and Electric Shock as of FY 2009 Final Report), 193,566, \$33,894 average charge per hospital stay**  
**\$6.6 billion in cost to Medicare**

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# What is a Present On Admission (POA) Condition

 **A condition present at the time the order for admission occurs.**


- Includes conditions clearly present but not diagnosed until after the admission took place.
- Conditions that develop during an outpatient encounter, including the Emergency Department, are considered as POA.
- If present on admission, reimbursement is allowed.
- If not present on admission, reimbursement not allowed to treat that condition.


# What are Hospital Acquired Conditions?

 **A Condition acquired by a patient while hospitalized that was not present on admission.**

- **Considered to be a preventable or “reasonably preventable” condition during an inpatient stay.**

# Bottom Line?

 **Medicare will not reimburse hospitals for certain hospital acquired preventable conditions (never events)**

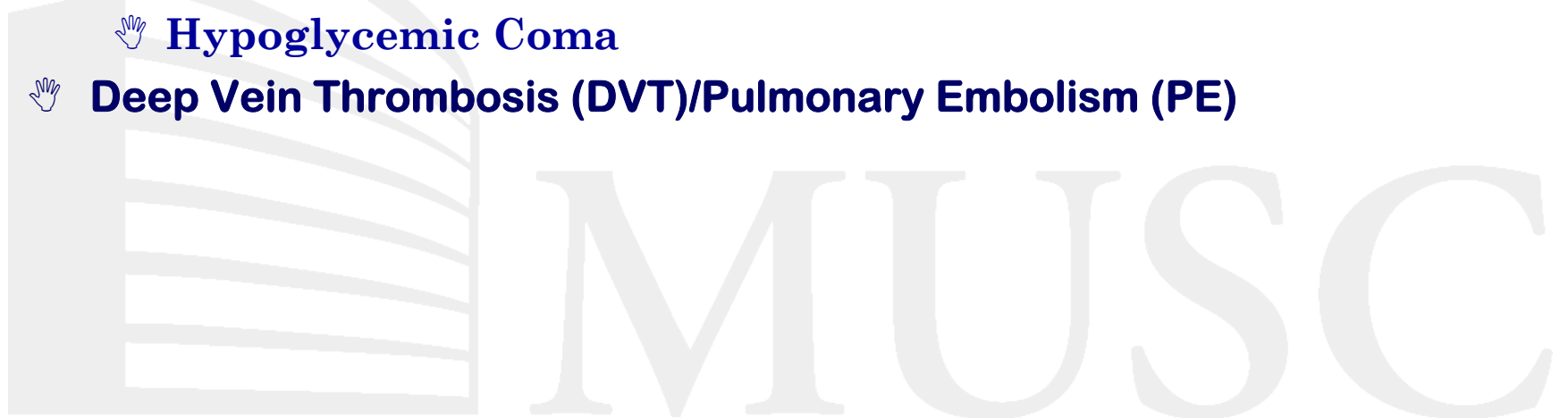
 **The hospital must show that the patient had these preventable conditions on admission to apply for reimbursement**

# Preventable Conditions for which Medicare will not reimburse UNLESS they were Present On Admission (POA) (as of 2009)

- 👤 Foreign Object Retained After Surgery
- 👤 Air Embolism
- 👤 Blood Incompatibility
- 👤 Stage III and IV Pressure Ulcers
- 👤 Falls and Trauma
  - 👤 Fractures
  - 👤 Dislocations
  - 👤 Intracranial Injuries
  - 👤 Crushing Injuries
  - 👤 Burns
- 👤 Catheter-Associated Urinary Tract Infection (UTI)
- 👤 Vascular Catheter-Associated Infection
- 👤 Surgical Site Infection-Mediastinitis after Coronary Artery Bypass Graft (CABG)

# Preventable Conditions for which Medicare will not reimburse UNLESS they were Present On Admission (POA) (as of 2009)

- ✎ **Surgical Site Infections Following Elective Procedure**
  - ✎ Total Knee Replacement
  - ✎ Laparoscopic Gastric Bypass and Gastroenterostomy
  - ✎ Ligation and Stripping of Varicose Veins
- ✎ **Glycemic Control**
  - ✎ Diabetic Ketoacidosis
  - ✎ Nonketotic Hyperosmolar Coma
  - ✎ Diabetic Coma
  - ✎ Hypoglycemic Coma
- ✎ **Deep Vein Thrombosis (DVT)/Pulmonary Embolism (PE)**



# What's Next?


- 👉 **Hospital implementation of protocols reducing “never events”**
- 👉 **Medicaid and Private insurance companies proposing similar payment for “never events”**




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# Implications for Nurses

 **Nurses will play an important part in this issue by:**

 **Identifying and documenting the presence of any non reimbursable POA conditions on admission**

 **Implementing Infection Control Bundles and other nursing measures to prevent “never events”.**

# Nursing Implications

- ✎ **The initial nursing assessment should include careful observation for any of the “never events” that may be present on admission**
- ✎ **Nursing documentation must include documentation of these present on admission conditions**
- ✎ **Failure to observe and document these POA “never events” will result in hospital not receiving reimbursement for care of these conditions.**