

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



# Hospital-Acquired Conditions (HAC) in Acute Inpatient Prospective Payment System (IPPS) Hospitals

## FACT SHEET



## 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) payments for certain hospital-acquired conditions. CMS has titled the provision "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:

1. Are high cost or high volume or both,
2. Result in the assignment of a case to an MS-DRG that has a higher payment when present as a secondary diagnosis, and
3. Could reasonably have been prevented through the application of evidence-based guidelines.

For discharges occurring on or after October 1, 2008, Inpatient Prospective Payment System (IPPS) hospitals do not receive the higher payment for cases when one of the selected conditions is acquired during hospitalization (i.e., was not present on admission). The case is paid as though the secondary diagnosis is not present.



In August 2010, CMS published the Inpatient Prospective Payment System (IPPS) Fiscal Year (FY) 2011 Final Rule. The Final Rule discusses the addition of five new International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM) codes to the existing Blood Incompatibility HAC category: 999.60, ABO incompatibility reaction, unspecified; 999.61, ABO incompatibility with hemolytic transfusion reaction not specified as acute or delayed; 999.62, ABO incompatibility with acute hemolytic transfusion reaction; 999.63, ABO incompatibility with delayed hemolytic transfusion reaction; and 999.69, Other ABO incompatibility reaction. A complete list of the HAC categories and their corresponding complication or comorbidity (CC) or major complication or comorbidity (MCC) codes finalized for FY 2011 is found in Table 1.

### **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), and
- ❖ 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	999.60 (CC) 999.61 (CC) 999.62 (CC) 999.63 (CC) 999.69 (CC)
Pressure Ulcer Stages III & IV	707.23 (MCC) 707.24 (MCC)
Falls and Trauma: <ul style="list-style-type: none"> <li>❖ Fracture</li> <li>❖ Dislocation</li> <li>❖ Intracranial Injury</li> <li>❖ Crushing Injury</li> <li>❖ Burn</li> <li>❖ Other Injuries</li> </ul>	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: <ul style="list-style-type: none"> <li>❖ Diabetic Ketoacidosis</li> <li>❖ Nonketotic Hyperosmolar Coma</li> <li>❖ Hypoglycemic Coma</li> <li>❖ Secondary Diabetes with Ketoacidosis</li> <li>❖ Secondary Diabetes with Hyperosmolarity</li> </ul>	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

**Table 1: HACs and Codes (continued)**

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> 278.01 539.01 (CC) 539.81 (CC) 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) 415.13 (MCC) 415.19 (MCC) 453.40-453.42 (CC) 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 the list contains at least two conditions.

**For More Information**

The HAC & POA web page at <http://www.cms.gov/HospitalAcqCond> provides further information, including links to the law, regulations, change requests (CRs), and educational resources including presentations, 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.

This fact sheet was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

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Visit the HAC & POA web page at <http://www.cms.gov/HospitalAcqCond> on the CMS website.