



Understanding the Hospital-Acquired Condition (HAC) Reduction Program

Beginning in FY 2015, the hospital-acquired condition (HAC) reduction program, mandated by the Affordable Care Act, requires the Centers for Medicare & Medicaid Services (CMS) to reduce hospital payments by 1 percent for hospitals that rank among the lowest-performing 25 percent with regard to HACs.



Measures

The HAC program has three measures for FY 2015, which are identified in the IPPS rule:

- Patient safety indicators (PSI) PSI 90 composite measure
- Central line-associated bloodstream infections (CLABSI) measure
- Catheter-associated urinary tract infections (CAUTI) measure (See tables on page 2 for more information)

Measure score

Each hospital will receive 1-10 points for each measure based on their national percentile ranking. Points will be assigned for each measure in deciles between the scores of the best performing hospital and the worst performing hospital. Unlike the value-based purchasing program (VBP), a lower score is better, and a higher score is worse.

Domain score

For domain 1, there is only one measure, so the domain score is the same as the measure score. For Domain 2, 1-10 points will be assigned for each standard infection ratio (SIR), and then averaged to determine the domain score.

Domain weighting

Each domain is weighted to determine the total HAC score. Domain 1 is 35 percent and Domain 2 is 65 percent of the total score.

Total HAC reduction score

A hospital's performance is assessed on the measures that comprise the domains. Each measure is given a score. If there is more than one measure in a domain, the measure scores are averaged to get the domain score. The weighting factor for each domain is then applied to get the weighted domain score. The weighted domain scores are added to get the total HAC score. For instance, in FY 2015, the total HAC score is computed by multiplying the Domain 1 score by 35 percent and the Domain 2 score by 65 percent, then adding those values to get the total HAC score. The total HAC score is then ranked with other hospitals to identify the lowest-performing 25 percent that will be penalized.

Payment penalty

HAC payment penalty adjustment would occur after base diagnosis-related group (DRG) payment adjustments have been calculated and made for the VBP and readmission reduction programs. Payment adjustment would impact hospitals that rank among the lowest-performing 25 percent with regard to HACs. They would receive 99 percent of the amount of payment that would otherwise apply to discharges.

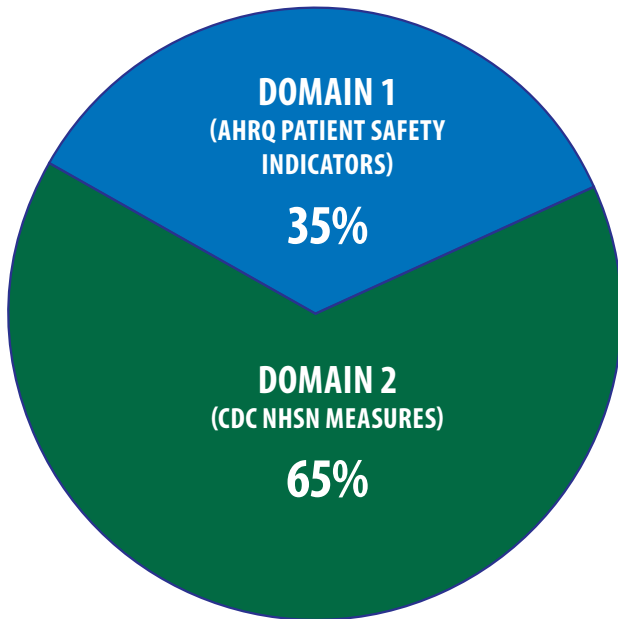
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FY 2015 HAC reduction program domain weighting and measures (Payment adjustment effective for discharges from October 1, 2014-September 30, 2015)



DOMAIN 1	
PERFORMANCE PERIOD	
July 1, 2011–June 30, 2013	
AHRQ* PSI 90 Measure	
Score 1-10	
PSI 3 Pressure ulcer rate	
PSI 6 Iatrogenic pneumothorax rate	
PSI 7 Central venous catheter-related blood stream infection rate	
PSI 8 Postoperative hip fracture rate	
PSI 12 Postoperative pulmonary embolism (PE) or deep vein thrombosis rate (DVT)	
PSI 13 Postoperative sepsis rate	
PSI 14 Wound dehiscence rate	
PSI 15 Accidental puncture and laceration rate	

*The Agency for Healthcare Research and Quality

DOMAIN 2	
PERFORMANCE PERIOD	
Jan. 1, 2012–Dec. 31, 2013	
CDC NHSN* MEASURES	AVERAGE SCORE 1-10
CLABSI SIR rate	1-10
CAUTI SIR rate	1-10
FUTURE MEASURES FOR FY2016	
SSI Colon	
SSI Abdominal Hysterectomy	
FUTURE MEASURES FOR FY2017	
MRSA	
CDI	

*Centers for Disease Control and Prevention National Healthcare Safety Network

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