

n05755

Hospital-Acquired Conditions (HACs) Policy

Values

Accountability • Integrity • Service Excellence • Innovation • Collaboration

Abstract Purpose:

This reimbursement policy outlines Network Health’s process, for all lines of business when services are provided with Hospital-Acquired Conditions (HACs) codes.

Policy Detail:

- I. HACs are selected conditions that are reasonably preventable but were not present at the time the member or participant was admitted to the healthcare facility, however, became present during the stay.
- II. From the Deficit Reduction Act of 2005, HACs were identified as meeting the following criteria:
 - A. High cost, high volume or both
 - B. Result in the assignment of a case to a Diagnosis Related Group (DRG) that has a higher payment when present as a secondary diagnosis
 - C. Could have been reasonably prevented through the application of evidence-based guidelines
- III. In alignment with the Centers for Medicare & Medicaid Services (CMS), Network Health will not reimburse for the additional, higher reimbursement (DRG) for conditions that were not present on admission to the healthcare facility but become present during the member’s or participant’s hospital stay.
- IV. Claims Reporting Requirements for Present on Admission (POA) indicators:
 - A. POA indicators must be reported on all claims that involved an inpatient admission.
 - B. POA indicators must be assigned on principal, secondary diagnoses, and on “external cause of injury” codes.
 - C. Conditions that develop during an outpatient encounter, such as an emergency department, observation, or outpatient surgery are considered POA.
 - D. Newborns are considered admitted at birth; therefore, conditions present at birth or that develop in utero are POA and should be assigned a POA indicator of “Y”. This includes conditions occurring delivery.
 1. Congenital conditions are always considered POA

POA Indicators	Description
N	Diagnosis was not present at the time of inpatient admission
U	Documentation insufficient to determine if condition was present at the time of admission
W	Clinically undetermined. Provider unable to clinically determine whether the condition was present at the time of admission.
Y	Diagnosis was present at the time of inpatient admission

- V. The fourteen (14) categories of HACs include:
- A. Foreign object retained after surgery
 - B. Air embolism
 - C. Blood incompatibility
 - D. Stage III and IV pressure ulcers
 - E. Falls and trauma
 - 1. Fractures
 - 2. Dislocations
 - 3. Intracranial injuries
 - 4. Burn
 - 5. Other injuries
 - F. Manifestations of poor glycemic control
 - 1. Diabetes ketoacidosis
 - 2. Nonketotic hyperosmolar coma
 - 3. Hypoglycemic coma
 - 4. Secondary diabetes with ketoacidosis
 - 5. Secondary diabetes with hyperosmolarity
 - G. Catheter-associated urinary tract infection (UTI)
 - H. Vascular catheter-associated infection
 - I. Surgical site infection, mediastinitis following Coronary Artery Bypass Graft (CABG)
 - J. Surgical site infection following bariatric surgery for obesity
 - 1. Laparoscopic gastric bypass
 - 2. Gastroenterostomy
 - 3. Laparoscopic gastric restrictive surgery
 - K. Surgical site infection following certain orthopedic procedures
 - 1. Spine
 - 2. Neck
 - 3. Shoulder
 - 4. Elbow
 - L. Surgical site infection following cardiac implantable electronic device (CIED)
 - M. Deep vein thrombosis (DVT) Pulmonary Embolism (PE) following certain orthopedic procedures
 - 1. Total knee replacement
 - 2. Hip replacement
 - N. Iatrogenic pneumothorax with venous catheterization

Note: HACs POA reimbursement applies to only inpatient prospective payment system healthcare facilities, therefore the following healthcare facilities are exempt from this procedure:

- A. Critical Access Hospitals
- B. Long Term Care Hospitals
- C. Maryland Waiver Hospitals*
- D. Cancer Hospitals
- E. Children's Inpatient Facilities
- F. Religions Non-Medical Health Care Institutions
- G. Inpatient Psychiatric Hospitals
- H. Inpatient Rehabilitation Facilities; and
- I. Veterans Administration/Department of Defense Hospital

*Maryland waiver hospitals must report the POA indicator on all claims.

Definitions:

Hospital-Acquired Conditions (HACs) – HACs are conditions that a member/participant develop while being treated in the hospital for another condition.

Present on Admission (POA) – POA is defined as present at the time the order for the inpatient admission occurs.

Regulatory Citations:

The Centers for Medicare & Medicaid Services (CMS)

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