



CMS yesterday released its inpatient prospective payment system (IPPS) final rule for fiscal year (FY) 2009, expanding the list of preventable conditions for which it will withhold payments and the number of quality measures that hospitals will be required to report to receive the full market basket update in FY 2010. CMS says the rule, which takes effect Oct. 1, is expected to increase Medicare payments to more than 3,500 acute care hospitals by 3.1%-nearly \$4.75 billion-in FY 2009. Under the new rule, CMS will add three categories to the list of preventable conditions for which it will not make additional payments, down from nine in the proposed rule (see related story in the April 15 Daily Briefing); currently, the list includes eight conditions. The additional conditions include surgical site infections acquired in a hospital following certain elective procedures-such as bariatric surgery-deep vein thrombosis or pulmonary embolism following total knee or hip replacement surgery, and certain manifestations of poor control of blood sugar levels. CMS also sent a letter to state Medicaid directors providing information about how states can adopt non-payment policies similar to the never events standards outlined in the FY 2009 final rule. According to the agency, nearly 20 states already have or are considering implementing methods to eliminate reimbursement for some never events. Meanwhile, although CMS had previously proposed adding 43 measures to the list of quality metrics that hospitals must report to receive the full market basket update, the final rule scales back that expansion, adding 13 new measures to the current list of 30 and deleting one pneumonia measure.

Additionally, CMS announced that it is launching a national coverage analysis to determine whether Medicare should cover three never events: surgery performed on the wrong site, surgery performed on the wrong patient, and wrong surgery performed on a patient. CMS says it will review feedback received during the 30-day public comment period; issue a proposed national coverage decision memorandum by Feb. 1, 2009; and finalized its policy by April 30, 2009. The final rule will be published in the Aug. 18 Federal Register (CMS release, 7/31; Reichard, CQ HealthBeat, 7/31 [subscription required]; AHA News Now, 7/31)."