

# CMS: UTIs as a “Never Event”

Recent Changes in CMS Reimbursement Policy ○ Effective Date: October 1st, 2008

## Summary

The Centers for Medicare and Medicaid Services (CMS) is instituting major changes to its reimbursement policy, targeting hospital-acquired conditions (HACs) and complications. They will cease paying hospitals for some of the care made necessary by “preventable complications” – conditions that result from medical errors or improper care and can reasonably be expected to be averted.

### Why?

The Deficit Reduction Act of 2005 required that regulators identify conditions that are:

- High-cost or high volume
- Result in the assignment of a case to a Diagnosis-Related Group (DRG) that has a higher payment when present as a secondary diagnosis
- Could reasonably have been prevented through the application of evidence-based guidelines.

### What changed?<sup>1</sup>

As a result of this requirement, CMS decided to disallow incremental payments associated with twelve categories of secondary conditions that it sees as preventable complications of medical care. These conditions, if not present on admission, will no longer be taken into account in calculating payments to hospitals after October 1, 2008.

### Present on Admission Code (POA)

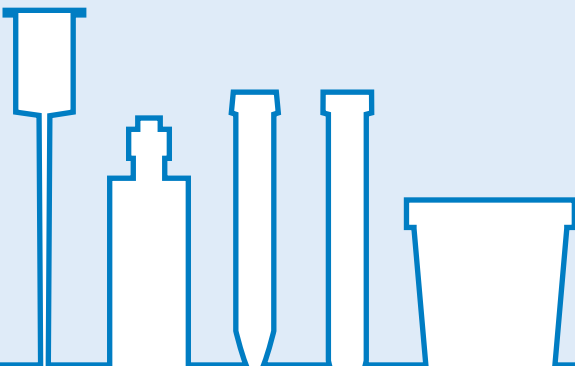
To determine whether these conditions were hospital acquired or not, the Present on Admission (POA) coding rule was developed.

The Present on Admission (POA) indicator requires hospitals to determine if certain conditions were pre-existing at the time of the patient admission. Conditions that develop prior to an official inpatient admission such as during an outpatient encounter, including emergency department, observation, or outpatient surgery, are also considered as present on admission.

### Catheter-Associated Urinary Tract Infections

One of these 12 conditions is Catheter-Associated Urinary Tract Infections.<sup>1</sup>

- Based on the Federal Register during the fiscal year of 2007, Medicare reported 12,185 cases of catheter-associated urinary tract infections with an average Medicare payment for admissions in which the condition was present of \$44,043.<sup>1</sup>
- CDC reports there are 561,667 catheter-associated urinary tract infections per year.<sup>2</sup>
- Approximately 40% of Medicare beneficiaries have a urinary catheter during hospitalization.<sup>2</sup>
- Nosocomial urinary tract infections necessitate one extra hospital day per patient and add an average of \$676 to a hospital bill.<sup>2</sup>





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### Example<sup>3</sup>:

Patient admitted to a Boston-area hospital with pneumonia. Secondary condition developed, not POA: Urinary Tract Infection.

Current payment to hospital = \$6,253.58 (under DRG 89 pneumonia with complications). Payment under the new rule = \$3,705.38 (under DRG 90 simple pneumonia)

A difference of \$2,548.20 – a reduction of approximately 40%. Payment will be reduced only for instances in which preventable complications were the only factor causing a case to be reclassified under a higher paying DRG.

### How will these changes impact your facility?

It is expected that facilities will have to increase the number of urine samples that will be sent to the laboratory to determine POA conditions.

*"... physicians and hospitals will increase urinalysis testing to identify urinary tract infections prior to admission."*<sup>2</sup>

Public comments – Federal Register: August 22, 2007 (Volume 72, Number 162), Page 47205.

### References:

<sup>1</sup> Federal Register / Vol 73, No. 161 / Tuesday August 19, 2008

<sup>2</sup> Federal Register / Vol. 72, No. 162 / Wednesday August 22, 2007

<sup>3</sup> The New England Journal of Medicine, Nonpayment for Performance? Medicare's New Reimbursement Rule / October 18, 2007

### How can BD help?

Determine if an infection is Present on Admission with a simple urinalysis test, monitor your foley catheter patients with our Urine Foley kit and provide a quality sample to perform a culture, in case it's later deemed necessary.

BD tubes will help you streamline the urine collection process by:

- Drawing the sample from a cup/ Foley catheter to the tube without pouring-off
- Sending our leak-proof tubes through the pneumatic system
- Stabilizing the sample at room temperature for 72 hours (without preservative or refrigeration, bacteria develop after 2 hours following collection)
- Ensuring that nursing uses proper Foley catheter collection by having all the needed components in a convenient kit.
- Assessing culture and sensitivity with a quality sample, reducing mixed growth and subsequent need for, recollection of sample.

***We can help you reduce your turnaround time by improving the sample quality and efficiencies!!!***

### For more information, call or visit us online:

BD Global Technical Services at **1.800.631.0174**  
or e-mail **vacutainer\_techservices@bd.com**

BD Customer Service at **1.888.237.2762**  
or visit us anytime online at **www.bd.com/vacutainer**



**BD Diagnostics**  
Preanalytical Systems  
1 Becton Drive  
Franklin Lakes, NJ 07417  
[www.bd.com/vacutainer](http://www.bd.com/vacutainer)