### Value-Based Programs

The left column—HAC Deficit Reduction Act—puts your CC or MCC at risk if the diagnosis is not POA = YES or W.

The center column—HAC Reduction Program—uses PSIs and HAIs to put your hospital at risk of a 1% CMS penalty if your hospital is in the lowest 25%.

The right column—Value Based Purchasing—uses mortality metrics O/E combined with HAIs to put your hospital at risk for up to a 2% penalty (or bonus!).

*Penalties and bonuses are based on your documentation! Get credit for the high-quality care you provide!*

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#### Hospital Acquired Conditions (HAC) Deficit Reduction Act (HRA)

- **HAC-1**: Foreign Object Retained After Surgery
- **HAC-2**: Air Embolism
- **HAC-3**: Blood Incompatibility
- **HAC-4**: Intra- and IV Pressure Users
- **HAC-5**: Falls and Trauma
- **HAC-6**: Catheter-Associated Urinary Tract Infection (CAUTI)
- **HAC-7**: Vascular Catheter-Associated Infection
- **HAC-8**: Surgical Site Infection, Gastrostomies, Following CABG
- **HAC-9**: Manifestations of Poor Glycemic Control
- **HAC-10**: DVT/PE Following Certain Orthopedic Procedures
- **HAC-11**: Surgical Site Infection Following Certain Orthopedic Procedures
- **HAC-12**: SSI following Cardiac Implantable Device (CID)
- **HAC-13**: Infection with Venous Catheterization

#### Hospital Acquired Condition (HACc) Reduction Program (HACRP)

- **PSI-03**: Pressure Ulcer
- **PSI-08**: In-Hospital Fall with Hip Fracture
- **PSI-09**: Pneumonia Hemorrhage or Hemoptysis
- **PSI-10**: Postoperative Acute Kidney Injury Requiring Dialysis
- **PSI-11**: Postoperative Respiratory Failure
- **PSI-12**: Perioperative Pulmonary Embolism or Deep Venous Thrombosis
- **PSI-13**: Postoperative Sepsis
- **PSI-14**: Perioperative Wound Dehiscence
- **PSI-15**: Unrecognized Abdominal Aortic Aneurysm/Extrusion

#### Hospital Value-Based Purchasing (HVBp)

- **MORT-30-AMI**: Acute AMI 30-day mortality rate
- **MORT-30-HF**: Heart Failure (HF) 30-day mortality rate
- **MORT-30-PN**: Pneumonia 30-day mortality rate (Inc. sepsis)

#### Complications
- **THA/TKA**: Total Hip/Knee Arthroplasty Complication

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#### FINANCIAL IMPACT

Under the HRA/HAC payment provision, hospitals no longer receive additional payment for cases in which one of the selected conditions occurred but was not present on admission (POA). That is, the case is paid as though the condition(s) were not present. The HRA/HAC/POA payment provision is applicable for secondary diagnosis code reporting only, as the selected conditions are designated as a complication or comorbidity (CCs) or a major complication or comorbidity (MCC) when reported as a secondary diagnosis. For the HRA/HAC/POA payment provision, a payment adjustment is applied if there are no other CC/MCC conditions reported on the claim.

- **Reduces hospital payments by 7% for hospitals that rank among the lowest-performing 7% (based on 2012 – part of Affordable Care Act)**

#### The HospitalVBp Program is funded by reducing participating hospitals' base operating Medicare severity-MS-DRG payments by

<table>
<thead>
<tr>
<th>DRG</th>
<th>DRG Description</th>
<th>Relative Weight</th>
<th>Base Pay</th>
<th>Penalties</th>
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