

U.S. House and Senate Notification
Wednesday, February 16, 2011

To: Congressional Health Staff

From: Amy Hall, Director, Office of Legislation
Centers for Medicare & Medicaid Services

Re: CMS Releases Proposed Rule to Implement Medicaid Payment Adjustment for Provider Preventable Conditions

Today, the Centers for Medicare & Medicaid Services (CMS) released a proposed rule implementing section 2702 of the Affordable Care Act. Section 2702 requires the Secretary to issue regulations prohibiting Federal payments to States for any amounts expended for providing medical assistance for health care-acquired conditions. CMS is seeking comment on the proposed rule.

In general, the proposed rule would require States to, at a minimum, apply the Medicare Hospital Acquired Condition (HAC) standard while providing State's the flexibility to identify other provider-preventable conditions inside and outside the inpatient hospital setting for nonpayment. The proposed rule can be viewed here http://www.ofr.gov/OFRUpload/OFRData/2011-03548_PI.pdf today, Wednesday, February 16, 2011. After today, the rule can be found by going to the 2011 Federal Register Contents website (http://www.access.gpo.gov/su_docs/fedreg/frcont11.html) and clicking on the publication date, February 17, 2011.

Please contact the CMS Office of Legislation with any questions.