

# Hospital-Acquired Condition (HAC) Reduction Program

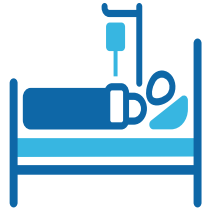
## Fiscal Year 2023 Fact Sheet



As finalized in the [Fiscal Year \(FY\) 2023 Inpatient Prospective Payment System/Long-Term Care Hospital Prospective Payment System \(IPPS/LTCH PPS\) final rule](#), CMS is not calculating measure scores or Total HAC Scores for any hospital for the FY 2023 program year. No hospital is ranked in the worst-performing quartile or subject to the 1-percent payment reduction.

### What is the HAC Reduction Program?

- The HAC Reduction Program is a Medicare value-based purchasing program that reduces payments to hospitals based on their performance on measures of hospital-acquired conditions.
- Under the HAC Reduction Program, CMS incentivizes hospitals to implement best practices to improve patient safety and reduce the number of healthcare-associated infections (HAIs).



### Which measures are included?

- 1 **Claims-based composite measure of patient safety:**
  - CMS PSI 90 (Patient Safety and Adverse Events Composite)
- 5 **Centers for Disease Control and Prevention National Healthcare Safety Network (CDC NHSN) HAI measures:**
  - CLABSI (Central Line-Associated Bloodstream Infection)
  - CAUTI (Catheter-Associated Urinary Tract Infection)
  - SSI (Surgical Site Infection for Abdominal Hysterectomy and Colon Procedures)
  - MRSA (Methicillin-resistant *Staphylococcus aureus*) bacteremia
  - CDI (*Clostridium difficile* Infection)

### How does the HAC Reduction Program affect my hospital's payments?



- CMS evaluates overall hospital performance using Total HAC Scores.
- Hospitals with a Total HAC Score in the worst-performing quartile (as in, above the 75th percentile) receive a 1-percent payment reduction on their overall Medicare fee-for-service payments for a fiscal year's discharges.
- **In FY 2023, no hospital is ranked in the worst-performing quartile or subject to the 1-percent payment reduction as finalized in the FY 2023 IPPS/LTCH PPS final rule.**

### How does CMS determine payment reductions?\*



#### Step 1: Calculate measure scores

Measure scores are calculated as the Winsorized z-score of measure results for a given measure.

Using measure results across all subsection (d) hospitals, including Maryland hospitals:

- Winsorize each hospital's measure results.
- Calculate each measure score as the z-score of Winsorized results.

(Negative Winsorized z-scores indicate better performance. Positive Winsorized z-scores indicate worse performance.)



#### Step 2: Calculate Total HAC Score

Total HAC Scores are calculated as the equally weighted average of the hospital's measure scores.

- Apply an equal weight to each measure for which a hospital has a measure score.
- If a hospital does not receive a measure score for a measure, it will be excluded from the Total HAC Score calculation.

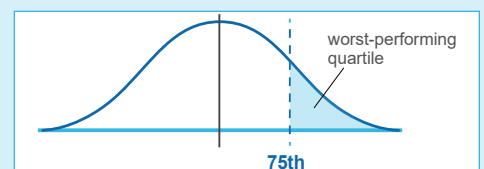
(A negative Total HAC Score indicates better performance. A positive Total HAC Score indicates worse performance.)



#### Step 3: Determine payment reduction

Hospitals with a Total HAC score in the worst-performing quartile are subject to a 1-percent payment reduction.

- Determine the 75th percentile of Total HAC Scores across all subsection (d) hospitals.\*\*
- Hospitals with a Total HAC Score greater than the 75th percentile are in the worst-performing quartile.

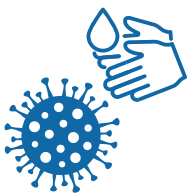


For more information about measure score calculations, see the [HAC Reduction Program Scoring Methodology Infographic](#).

\*CMS is not calculating measure scores or Total HAC Score for any hospital for the FY 2023 HAC Reduction Program.

\*\*Maryland hospitals are exempt from payment reductions under the HAC Reduction Program because of an agreement between CMS and Maryland. These hospitals are not included in the 75th percentile distribution.

### What changes did CMS make to the FY 2023 HAC Reduction Program?



In response to the COVID-19 public health emergency:

- CMS is excluding Calendar Year 2020 data from HAC Reduction Program calculations.
- CMS is not calculating measure scores or Total HAC Scores for any hospital for the FY 2023 program year. No hospital is ranked in the worst-performing quartile or subject to the 1-percent payment reduction.

For more information, please refer to the [HAC Reduction Program Frequently Asked Questions](#) on the QualityNet Website.



### How can hospitals review their HAC Reduction Program results?

CMS distributes Hospital-Specific Reports via the Hospital Quality Reporting [Managed File Transfer](#) inbox at the beginning of the 30-day Scoring Calculations Review and Correction period.



### How does CMS publicly report HAC Reduction Program results?

For each hospital, CMS will post select information from the FY 2023 HAC Reduction Program on the [Provider Data Catalog](#) in early 2023. CMS also reports hospitals' HAI and CMS PSI 90 results on the Provider Data Catalog and [Care Compare](#) websites.



### Where can I go for more information about the HAC Reduction Program?

For more information visit the [QualityNet Website HAC Reduction Program page](#) or the [CMS HAC Reduction Program page](#).

Submit questions about CMS' calculations, issues accessing Hospital-Specific Reports, discharge-level data, CMS PSI software, and methodology via the [QualityNet Question & Answer Tool](#).