QUALITY POLICY

SUBJECT: Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions

Effective Date: 1/1/10

SECTION: Quality

POLICY NUMBER: QI - 29

DEPARTMENTS AFFECTED: Provider Performance Improvement, Quality Measurement, Analysis and Recovery, Customer Service Division

Applies to all lines of business across all regions administered by the plan.

Policy Statement:

This quality policy sets forth the coverage and reimbursement criteria applicable to Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions that occur in a hospital (inpatient or outpatient), outpatient setting, ambulatory surgery center or provider office. As part of Health Plan’s Quality Improvement Program, this quality policy is consistent with the development of other programs designed to assure quality of care.

Major provisions include:

I. Providers are required to forego payment, in whole or in part pursuant to the provisions below, from the Health Plan and hold the member harmless for costs, charges, and expenses directly associated with the occurrence of a Serious Adverse Event/Other Provider-Preventable Condition or a Hospital-Acquired Condition/Health Care-Acquired Condition.

II. Hospitals are required to populate the Present on Admission (POA) indicator on all claims.

III. Eligibility, benefits, limitations, exclusions, precertification/referral requirements, provider contracts, and applicable policies apply.

This quality policy is consistent with the prevailing recommendations of the Centers for Medicare & Medicaid Services (CMS), and the New York State Department of Health (NYSDOH). This policy incorporates the then-current list of Hospital-Acquired Conditions/Health Care-Acquired Conditions that are subject to enforcement by CMS and the NYSDOH, including the table of Serious Adverse Events/Other Provider-Preventable Conditions outlined in Table 1 of this policy. However, Health Plan reserves the right to revise this list at any time but in accordance with the timing of oversight/regulatory organizations listed above. If at any time additional Serious Adverse Events/Other Provider-Preventable Conditions are considered for inclusion and are not already a part of these

Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions
organizations’ lists, an opportunity for provider input and dialogue will be provided. Health Plan will provide providers with thirty (30) days advance written notice of such addition(s) and providers will be held accountable for implementation of the newly released list thirty (30) days from the date of that notice. For a list of Hospital-Acquired Conditions/Health Care-Acquired Conditions please see: http://www.health.ny.gov/health_care/medicaid/quality/hac/policy/ and http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/downloads/HACFactsheet.pdf

Definitions:

For purposes of this policy, the following definitions shall apply:

“Serious Adverse Event”. A Serious Adverse Event (SAE) includes (i) an extremely rare medical error that occurs in a hospital (inpatient or outpatient), outpatient setting, ambulatory surgery center or provider office and should never happen to a patient, and (ii) other events that should never happen to a patient (“never events”), including surgery or invasive procedure on wrong body part, surgery on wrong patient, and wrong surgery on a patient. Some Serious Adverse Events can be identified through a specific clinical e-code; however, most require self-reporting by a provider. A SAE is defined by the Department of Health (DOH) as “avoidable hospital complications and medical errors that are identifiable, preventable, serious in their consequences to patient, and increase costs to the Medicaid program.” The Serious Adverse Events subject to this policy are set forth in Table 1, below.

“Hospital-Acquired Condition”. A Hospital-Acquired Condition (HAC) is defined as a condition “which could reasonably have been prevented through application of evidence-based guidelines.” These conditions are not present when patients are admitted to a hospital, but become present during the course of the inpatient admission and can be identified with applicable ICD-9 codes.

“Present on Admission Indicator”. A Present on Admission (POA) indicator is used on a claim form to identify a condition present at the time the order for inpatient admission occurs.

“Serious disability associated with …”. The phrase “serious disability associated with …”, as used in Table 1 of this policy means a physical or mental impairment that substantially limits one or more of the major life activities of an individual, and it is reasonable to initially assume that the Serious Adverse Event or Hospital-Acquired Condition was due to the referenced course of care; further investigation and/or root cause analysis of the unplanned event may be needed to confirm or refute the presumed relationship.

“Hospital”. A Hospital is a short-term, duly licensed acute care, general hospital, or a duly licensed pediatric or cancer hospital, and includes any ambulatory surgery center operated by the hospital, whether such center is located on the hospital’s main campus or a satellite location. For purposes of this quality policy, a hospital does not include a skilled nursing facility; nursing home; place for treatment of mental illness; place for treatment of alcohol or drug abuse; place for provision of rehabilitation care; or place for provision of hospice care.

Additional Medicaid Definitions:

“Provider-Preventable Conditions (PPCs)”. A condition that meets the definition of a “health care-acquired condition” or an “other provider-preventable condition”.

“Health Care-Acquired Conditions (HCACs)”. A medical condition for which an individual received a secondary diagnosis that resulted in the case being assigned to a MS-DRG with a higher payment.
Provisions Applicable to Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions:

Coverage and Reimbursement:

Health Plan will not cover or reimburse providers for the increased incremental costs of care at the same care setting (hospital (inpatient or outpatient), outpatient setting, ambulatory surgery center or provider office) that result when a patient is harmed by one of the Serious Adverse Events/Other Provider-Preventable Condition or Hospital-Acquired/Health care-Acquired Condition. Health Plan prohibits providers from billing the member for any payments (including copayments, deductibles, or coinsurance) that are directly associated with the occurrence of a Serious Adverse Event/Other Provider-Preventable Condition or Hospital-Acquired Condition/Health Care-Acquired Condition. However, providers may pursue the member for co-payments, deductibles, or coinsurance for all treatment up until the Serious Adverse Event/Other Provider-Preventable Condition or Hospital-Acquired Condition/Health Care-Acquired Condition occurred.

Health Plan will pay for any reasonable and necessary services that are needed to provide ongoing treatment associated with the specific event post-discharge, including but not limited to outpatient services and inpatient services by a different provider.

If a Serious Adverse Event/Other Provider-Preventable Condition or Hospital-Acquired Condition/Health Care-Acquired Condition is discovered several weeks or months after the claim has been submitted and paid, providers must submit adjusted claims following the initial submission. An adjusted claim should be submitted as soon as possible upon discovery of the event’s occurrence.

Payment Requirements:

With respect to Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions affecting Health Plan’s members, providers must apply New York State and CMS payment policies and guidelines to determine appropriate claims submissions and claim adjustments. Such claims submissions, claim payments and claim adjustments shall be subject to Health Plan’s review and audit. To the extent Health Plan has already paid for a Serious Adverse Event/Other Provider-Preventable Condition or Hospital-Acquired Condition/Health Care-Acquired Condition, Health Plan may recoup such payment by offsetting such amounts against claims payments otherwise due a provider in the normal course of business.

POA Indicator:

All claims for services provided by a hospital submitted to Health Plan must contain a POA indicator. Any claim submitted without a POA indicator will be returned to hospital for re-submission.

Audit Requirements:

All documentation is to be available to Health Plan upon request, including additional medical records for Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions. Health Plan will conduct back-end audits associated with Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions.
the care provided surrounding the occurrence of a Serious Adverse Event/Other Provider-Preventable Conditions or Hospital-Acquired Condition/Health Care-Acquired Condition.

**Required Investigations and Reporting:**

**Investigations:**

In the event a Serious Adverse Event/Other Provider-Preventable Condition or Hospital Acquired Condition/Health Care-Acquired Condition occurs on a Health Plan member, the provider shall conduct an investigation to determine if any of the following criteria are met:

1. The event or condition was reasonably preventable through the use of evidence-based guidelines and/or criteria;
2. The event or condition was the result of an error or event that was within the control of the provider; and/or
3. The event or condition was not present when the patient was admitted to the hospital.

**Reporting Requirements (Serious Adverse Events/Other Provider-Preventable Condition):**

When a Serious Adverse Event/Other Provider-Preventable Condition occurs [see Table 1], and the provider determines that one or more of the criteria set forth above have been met, the provider shall provide notification in writing to Health Plan within fifteen (15) days of provider’s determination at:

Excellus Health Plan  
Hospital Performance Improvement  
205 Park Club Lane  
Buffalo, New York 14221

Such notification shall include patient name and member ID number, date of admission and related dates of service, date of event occurring, a summary of the nature of the event, whether the event was reported to NYPORTS, whether a root cause analysis was performed and any improvement activities and/or corrective actions resulting. In addition, provider will provide any other pertinent information that would assist in the determination of the appropriateness of payment. (Policy Attachment A). Nothing in this policy shall require a hospital to disclose information that is subject to the confidentiality requirements set forth in Public Health Law § 2805-m.

The foregoing reporting requirements are in addition to any reporting requirements of state and accrediting organizations applicable to Serious Adverse Events /Other Provider-Preventable Conditions.

**Reporting Requirements (Hospital-Acquired Conditions/Health Care-Acquired Condition):**

With respect to Hospital-Acquired Conditions/Health Care-Acquired Conditions, specific reporting is not required to the Health Plan due to the submission of the POA indicator on claims but hospital agrees to comply with any reporting requirements as set forth by CMS and NYSDOH.
### Table 1: Serious Adverse Events/ Other Provider Preventable Conditions

<table>
<thead>
<tr>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surgery performed on the wrong body part</td>
</tr>
<tr>
<td>Surgery performed on the wrong patient</td>
</tr>
<tr>
<td>Wrong surgical procedure performed on a patient</td>
</tr>
<tr>
<td>Patient death or serious disability associated with the use or function of a device in patient care, in which the device is used or functions other than as intended</td>
</tr>
<tr>
<td>Patient death or serious disability associated with a medication error (e.g., errors involving the wrong drug, wrong dose, wrong patient, wrong time, wrong rate, wrong preparation or wrong route of administration);</td>
</tr>
<tr>
<td>Patient death or serious disability associated with the use of contaminated drugs, devices, or biologics provided by the healthcare facility (unless deemed outside of Hospital’s control);</td>
</tr>
<tr>
<td>Any incident in which a line designated for oxygen or other gas to be delivered to a patient contains the wrong gas or is contaminated by toxic substances;</td>
</tr>
<tr>
<td>Patient death or serious disability associated with the use of restraints or bedrails while being cared for in a healthcare facility</td>
</tr>
</tbody>
</table>
REFERENCES:


Oversight: Oversight of this policy is the responsibility of the management of Provider Performance Improvement and Quality Measurement.

Policy Activity:

Committee Approval:
Reviewed Dates: 7/15/11, 7/1/12
Revised Dates: 7/15/11, 7/1/12, 10/29/12
Original Source: No Previous Formal Policy
Serious Adverse Event/Other Provider-Preventable Condition Reporting Form

Hospital Name:______________________  Hospital Contact Number:________________

Member Name:______________________  Member ID number:____________________

Date of admission:__________________  Related dates of service:________________

Occurrence Date:____________________

Summary of Event:
___________________________________________________________________________________
___________________________________________________________________________________
___________________________________________________________________________________

Was a root cause analysis performed?  Yes  No

Was this incident reported to NYPORTS?  Yes  No  Not applicable for reporting

Improvement activities and/or corrective actions resulting:
___________________________________________________________________________________
___________________________________________________________________________________
___________________________________________________________________________________
___________________________________________________________________________________
___________________________________________________________________________________

Other pertinent information that would assist in the determination of the appropriateness of payment:
___________________________________________________________________________________
___________________________________________________________________________________
___________________________________________________________________________________

You must notify the Health Plan, in writing, within fifteen (15) days of hospital’s determination of a Serious Adverse Event/Other Provider Preventable Condition. Mail notification to:

Excellus Health Plan
Hospital Performance Improvement
205 Park Club Lane
Buffalo, New York 14221

Serious Adverse Events/Other Provider-Preventable Conditions and Hospital-Acquired Conditions/Health Care-Acquired Conditions