

Government Cracks Down on Hospitals with High Rates of Complications

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Since 2008, Medicare has refused to reimburse hospitals for the cost of treating patients who suffer avoidable medical complications. Although technically Medicare can actually expel a hospital with high rates of errors from the Medicare program, this is very rarely done.

However, in 2015, the federal government did cut payments to 721 hospitals which possessed documented high rates of infections and other patient injuries in the previous year. Among the 721 institutions were 2 frequently used by patients in Eastern Pennsylvania – the Hospital of the University of Pennsylvania, in Philadelphia, and Geisinger Medical Center in Dansville, Pennsylvania.

Hospital acquired conditions, or HACs, include infections, blood clots, bed sores, and other complications which are considered avoidable. The penalties levied on the 721 hospitals are estimated to be in excess of \$300 million. In 2013, approximately 1 in 8 admissions to a hospital included an HAC. Populations at highest risk are the very young and the very old, as well as those who have chronic diseases which would place them at a higher likelihood of developing an HAC.

The HAC penalties are just one of several incentives with which Medicare has enacted in an effort to lower hospital complication rates. In 2014, Medicare fined over 2,000 hospitals for having too many patients return within 30 days of discharge from a prior hospitalization. In addition, Medicare assessed penalties against hospitals based on death rates and patient appraisals of the care they received at a hospital.

Criticism of the Medicare penalties and incentives program include studies which reveal that penalties were assessed against 32% of the hospitals with the sickest patients. In 2014, only 12% of the hospitals with the least complex cases were penalized. Hospitals with the poorest patients were also more likely to be penalized. Hospitals with the sickest and poorest patients, who are more susceptible to complications, are often large teaching hospitals in big cities, and these are the hospitals receiving a higher proportion of the Medicare penalties.

In October of 2015, Medicare began assessing rates of surgical site infections. Furthermore, in 2016, Medicare intends to examine the frequency of 2 hospital-based infections which are resistant to antibiotics: *Clostridium Difficile* (C. Diff.) and Methicillin-Resistant *Staphylococcus Aureus* (MRSA).

National Law Review, Volume VI, Number 6

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