

CMS Inpatient Rule for Facility Acquired Pressure Ulcers

By Lee Ann Krapfl, BSN, RN, CWCN Chair, WOCN Public Policy Committee

The Centers for Medicare and Medicaid Services (CMS) has created a completely new set of DRGs and payment rates based on patient severity. This new system is called Medicare Severity DRG or MS-DRG. The entire system is budget neutral, meaning that the base rate for all DRGs has been reduced to allow for some higher payments for more severe patient conditions. The intent is to better match the payment to the severity of the patient. Included in the rule are provisions that provide less payment for certain hospital-acquired conditions. Among the conditions that CMS will be monitoring is pressure ulcers. In order to qualify for the higher paying MS-DRG rate, the hospital will need to document a pressure ulcer within the first 1-2 days of admission. If the pressure ulcer is facility acquired, this will not qualify for the higher payment. The new MS-DRGs go into effect on October 1, 2007. The new payment rates go into effect on October 1, 2008.

For FY 2006, there were 322,946 reported cases of Medicare patients who had a pressure ulcer listed as a secondary diagnosis. These cases had average hospital charges of over \$40,000. CMS believes this rule change will improve screening of patients entering hospitals to identify pressure ulcers upon admission. They believe that pressure ulcers will be discovered earlier and treatment will ultimately be improved for this preventable condition. The coding of pressure ulcers present on admission does rely on the documentation of the attending physician, who has the primary responsibility for diagnosing the patient's clinical condition.

As a result of comments and feedback they have received, CMS has offered the following clarifications to the rule change:

- Stage I and Stage II pressure ulcers present on admission will not qualify for the higher MS-DRG payment.
- Stage III or Stage IV pressure ulcers present on admission will qualify for the higher MS-DRG payment (except elbow ulcers or those of an unspecified location)
- Pressure ulcers will be considered present on admission if they are documented by the end of the second hospital day. (ie: If a patient is admitted on Monday, the pressure ulcer must be detected and documented by 11:59 p.m. on Tuesday)
- CMS recognizes that many patients who get pressure ulcers are very sick and often have other comorbidities and complicating conditions that will qualify the patient for the higher paying MS-DRG. This fact should not preclude physicians and hospitals from screening all patients for pressure ulcers on admission.

The current ICD-9 codes for pressure ulcers in place are specific to location, but do not delineate differences in severity to include size, stage, and presence of necrotic tissue or infection. The goal is to eventually use the pressure ulcer codes as a quality reporting measure and to eventually have the pressure ulcer data published on the "Hospital Report Card." The Centers for Disease Control is considering a new code group for pressure ulcers. They will be holding a hearing on the matter at the end of September 2007, and WOCN plans to present testimony at this hearing.