

1.1 A bill for an act  
1.2 relating to human services; prohibiting hospital payment for certain  
1.3 hospital-acquired conditions and certain treatments; amending Minnesota  
1.4 Statutes 2008, section 256.969, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2008, section 256.969, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 3b. **Nonpayment for hospital-acquired conditions.** (a) The commissioner  
1.9 must not make medical assistance payments to a hospital:

1.10 (1) at a higher rate for the increased costs of care that result when a patient is harmed  
1.11 by a condition listed in paragraph (c), if the condition was hospital-acquired; or

1.12 (2) for a treatment described in paragraph (d).

1.13 (b) For purposes of this subdivision, a condition is hospital-acquired if it is not  
1.14 identified by the hospital as present on admission. For purposes of this subdivision,  
1.15 medical assistance includes general assistance medical care and MinnesotaCare.

1.16 (c) The prohibition in paragraph (a) applies to payment for:

1.17 (1) any hospital-acquired condition resulting from an adverse health care event  
1.18 reportable under section 144.7065, subdivision 2, clauses (1), (2), (3), and (5); subdivision  
1.19 3, clauses (1) and (2); subdivision 4; subdivision 5, clauses (1), (3), (5), (7), and (8);  
1.20 subdivision 6, clauses (2) and (5); and subdivision 7; and

1.21 (2) any hospital-acquired condition listed in this clause that is represented by an  
1.22 ICD-9-CM diagnosis code and is designated as a complicating condition or a major  
1.23 complicating condition:

1.24 (i) foreign object retained after surgery (ICD-9-CM codes 998.4 or 998.7);

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- 2.1 (ii) air embolism (ICD-9-CM code 999.1);  
2.2 (iii) blood incompatibility (ICD-9-CM code 999.6);  
2.3 (iv) pressure ulcers stage III or IV (ICD-9-CM codes 707.23 or 707.24);  
2.4 (v) falls and trauma, including fracture, dislocation, intracranial injury, crushing  
2.5 injury, burn, and electric shock (ICD-9-CM codes with these ranges on the complicating  
2.6 condition and major complicating condition list: 800-829; 830-839; 850-854; 925-929;  
2.7 940-949; and 991-994);  
2.8 (vi) catheter-associated urinary tract infection (ICD-9-CM code 996.64);  
2.9 (vii) vascular catheter-associated infection (ICD-9-CM code 999.31);  
2.10 (viii) manifestations of poor glycemic control (ICD-9-CM codes 249.10; 249.11;  
2.11 249.20; 249.21; 250.10; 250.11; 250.12; 250.13; 250.20; 250.21; 250.22; 250.23; and  
2.12 251.0);  
2.13 (ix) surgical site infection (ICD-9-CM codes 996.67 or 998.59) following certain  
2.14 orthopedic procedures (procedure codes 81.01; 81.02; 81.03; 81.04; 81.05; 81.06; 81.07;  
2.15 81.08; 81.23; 81.24; 81.31; 81.32; 81.33; 81.34; 81.35; 81.36; 81.37; 81.38; 81.83; and  
2.16 81.85);  
2.17 (x) surgical site infection (ICD-9-CM code 998.59) following bariatric surgery  
2.18 (procedure codes 44.38; 44.39; or 44.95) for a principal diagnosis of morbid obesity  
2.19 (ICD-9-CM code 278.01);  
2.20 (xi) surgical site infection, mediastinitis (ICD-9-CM code 519.2) following coronary  
2.21 artery bypass graft (procedure codes 36.10 to 36.19);  
2.22 (xii) deep vein thrombosis (ICD-9-CM codes 453.40 to 453.42) or pulmonary  
2.23 embolism (ICD-9-CM codes 415.11 or 415.91) following total knee replacement  
2.24 (procedure code 81.54) or hip replacement (procedure codes 00.85 to 00.87 or 81.51  
2.25 to 81.52); and  
2.26 (xiii) ventilator-associated pneumonia (ICD-9-CM code 997.31).  
2.27 (d) The prohibition in paragraph (a) applies to payment for the following treatments:  
2.28 (1) venous thromboembolism prophylaxis ordered for surgery patients;  
2.29 (2) venous thromboembolism prophylaxis within 24 hours prior to or following  
2.30 surgery; and  
2.31 (3) prophylactic antibiotic selection for surgical patients.  
2.32 (e) The payment prohibitions in this subdivision do not apply to critical access  
2.33 hospitals, long-term care hospitals, cancer hospitals, children's inpatient hospitals,  
2.34 inpatient rehabilitation facilities, inpatient psychiatric facilities, and facilities of the Indian  
2.35 health service.

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3.1           (f) The payment prohibitions in this subdivision do not apply to payment for  
3.2 physician services and other covered items or services that are needed to treat the  
3.3 hospital-acquired condition, including the costs of postacute care that would not have  
3.4 been needed for the patient's initial medical problem but are needed because of the  
3.5 hospital-acquired condition.

3.6           (g) A hospital shall not bill a recipient of services for any payment disallowed  
3.7 under this subdivision.