



# POLICY STATEMENT

JUNE 2008

## NEVER EVENTS INDUSTRY POLICY STATEMENT IN SUPPORT OF STATE ACTION

“ The California health plan industry supports the prohibition on payment for “never events,” including the goals outlined in AB 2146 (Feuer 2008). A never events policy is essential to protect patients from egregious medical mistakes which simply should never happen. Consumers, through their health plans, should never have to pay for medical mistakes of this nature. However, health plans should provide payment for follow-up care which consumers may need as a result of never events.

Furthermore, we support California’s adoption of a single definition of never events in order to promote fairness and efficiency in the administration of never events policies between providers and payers. The definition of never events should align and be consistent with the never events payment policy of the Centers for Medicare and Medicaid Services (CMS) because CMS, as the largest payer for healthcare services in the country, will be a key driving force in reducing the incidence of never events. Implementation of the CMS policy is also facilitated by CMS’ “present-on-admission” (POA) indicator code that hospitals are required to enter for secondary conditions identified by CMS. CMS has indicated that it believes hospital compliance with the POA indicators is very high.

Specifically, the California health plan industry supports California’s adoption of the original CMS list of eight never events along with the three egregious and preventable mistakes for which CMS does not provide reimbursement. In addition to these 11 events, the industry supports including never events which meet the following criteria established by the National Quality Forum:

- 1) *Unambiguous* – clearly identifiable, reportable, and measurable;
- 2) *Usually preventable* – by the adoption of acceptable medical care guidelines;
- 3) *Serious* – resulting in death, loss of body part, disability. ”

### CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) NEVER EVENTS

- 1) Serious Preventable Event — Object Left in Surgery
- 2) Serious Preventable Event — Air Embolism
- 3) Serious Preventable Event — Blood Incompatibility
- 4) Catheter-associated Urinary Tract Infections
- 5) Pressure Ulcers (Decubitus Ulcers)
- 6) Vascular Catheter-Associated Infection
- 7) Surgical Site Infection — Mediastinitis After Coronary Artery Bypass Graft (CABG) Surgery
- 8) Hospital-Acquired Injuries — Fractures, Dislocations, Intracranial Injury, Crushing Injury, Burn and Other Unspecified Effects of External Causes

In addition to the above eight never events identified in regulation, CMS does not provide additional payment for the following three surgical events:

- 9) Surgery performed on the wrong body part
- 10) Surgery performed on the wrong patient
- 11) Wrong surgical procedure on a patient

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