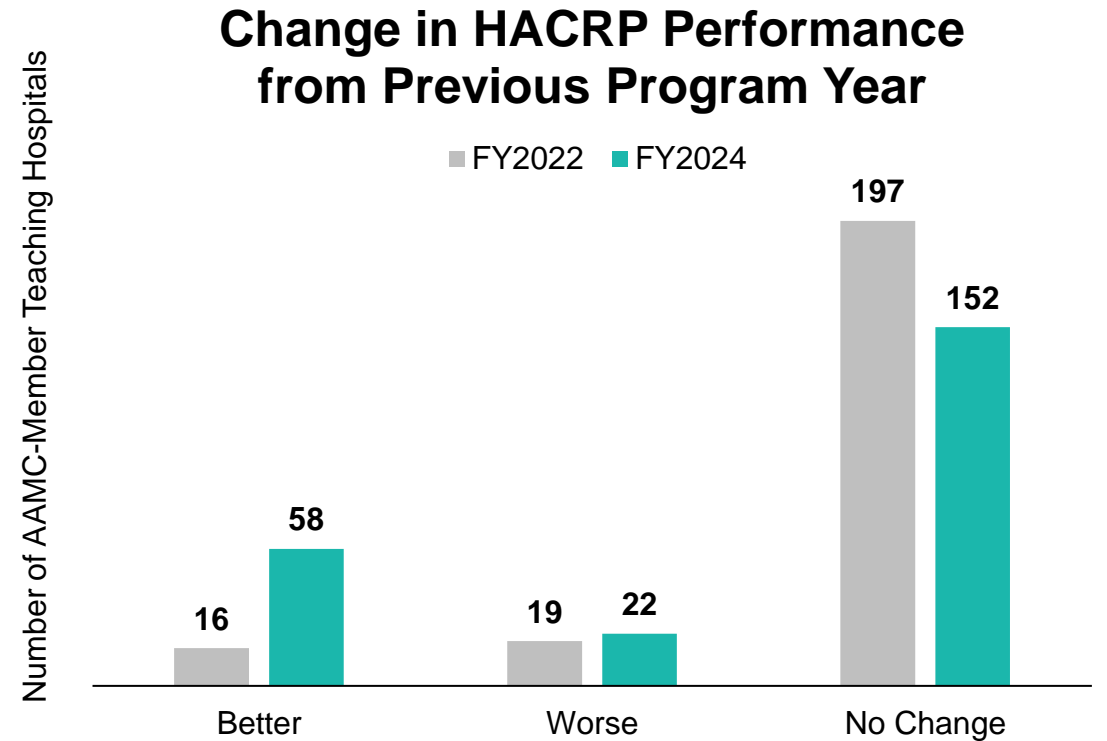
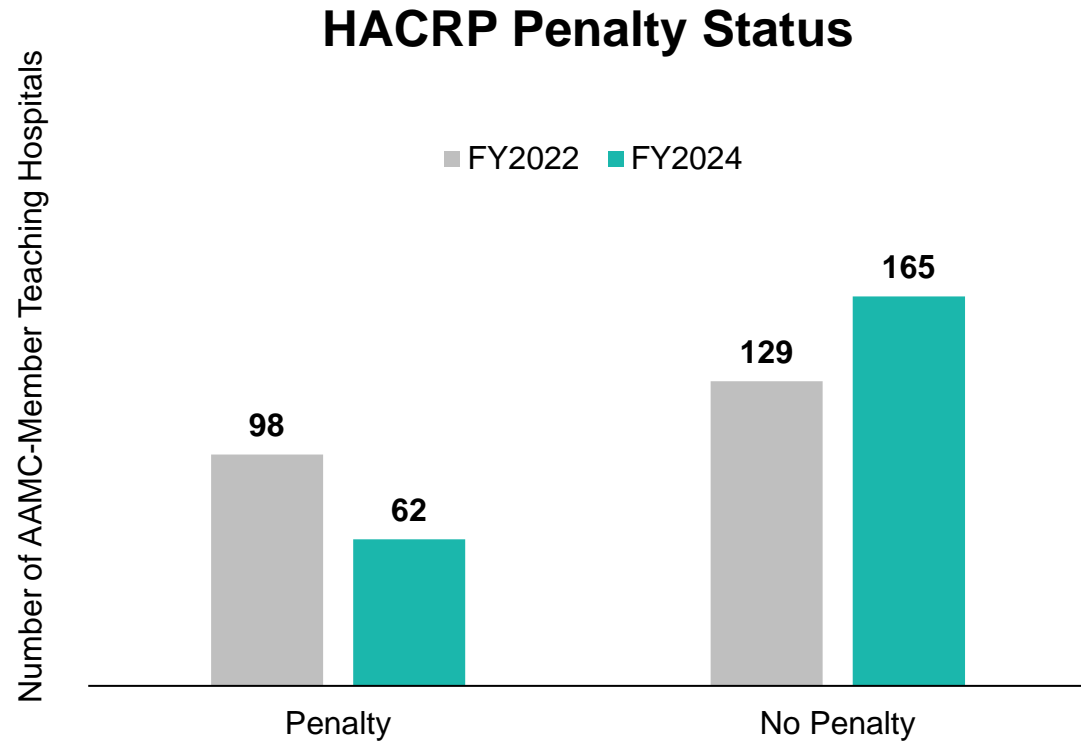


# Distribution of HACRP Penalties for AAMC-Member Teaching Hospitals

In January 2024, CMS released the Hospital-Acquired Condition Reduction Program (HACRP) penalties for FY2024. Hospitals in the worst-performing quartile receive a 1-percent payment reduction on their overall Medicare fee-for-service payments for a fiscal year’s discharges. In response to the COVID-19 public health emergency, CMS did not issue penalties for FY2023. The charts below show the distribution of HACRP penalties and change in performance from FY2022 to FY2024 for AAMC-member teaching hospitals.



**Overall, only 62 hospitals (27%) received a penalty in FY2024 compared to 98 hospitals (43%) in FY2022. This difference is driven by 42 more hospitals improving in FY24 relative to FY22 (penalty→no penalty) and only three hospitals performing worse (no penalty→penalty).**

**Note:** The measurement periods for each measure used to compute the HACRP penalties vary by measure and release. These measurement periods span discharges from January 1, 2021– December 31, 2022 for the FY2024 program year, July 1, 2018 – December 31, 2019 for the FY2022 program year, and July 1, 2017 – December 31, 2019 for the FY2021 program year.

**Source:** AAMC analysis of FY2024, FY2022, and FY2021 HAC Reduction Program data.