



PROVIDER QUICK TIPS

#102

AS DPW MOVES FROM DRG TO APR DRG

The PA Department of Public Welfare (Department) is preparing to implement an All Patient Refined-Diagnosis Related Group (APR DRG) classification system for Medical Assistance (MA) Program enrolled acute care general hospitals that provide services to MA recipients in the Fee-For-Service delivery system on February 25, 2011. This will affect acute care general hospital inpatient stays with discharge dates on or after July 1, 2010. Providing the necessary approvals are obtained by the Centers for Medicare and Medicaid Services (CMS) within the near future, the Department will mass adjust acute care general hospital inpatient claims with discharge dates on or after July 1, 2010, that have paid under the Department's current DRG Grouper Version 23 classification system. This process will begin mid-March, 2011.

Listed below are some important tips regarding the transition from DRG Grouper Version 23 to APR DRG classification system:

Discharge Dates:

- Before July 1, 2010 – This claim will process with the current DRG Grouper Version 23 classification system.
- On or after July 1, 2010 – This claim will process with the new APR DRG classification system. Following implementation, the Department will mass adjust acute care general hospital inpatient claims using the APR DRG classification system that had previously processed using the DRG Grouper Version 23 classification system. This process will begin mid-March, 2011.

Birth weight:

APR DRG requires a birth weight in order to assign the most appropriate APR DRG to newborn claims. In order for claims to be appropriately grouped, the Department is recommending the use of Value Code 54. If the birth weight is not provided via Value Code 54 or through ICD-9-CM diagnoses codes 764-765, the APR DRG grouper will assume the patient's weight is that of a normal newborn. For appropriate use of codes that reflect birth weight within this range, please refer to your ICD-9 coding references for guidance on accurate coding.

Hospitals may submit claims reflecting the birth weight via diagnosis codes 764 through 765; or Value Code 54 prior to APR DRG implementation. Claims must reflect the birth weight in grams (please use whole numbers only—decimals will not be accepted).



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Diagnosis and Procedure Codes:

The APR DRG classification system utilizes many diagnosis and procedure codes and combinations thereof, to assign the most accurate APR DRG and Severity Level to a claim. It is important to use complete diagnosis and procedure coding on claims with discharge dates on or after July 1, 2010. If you have been coding with the minimum codes utilized in the current Grouper Version 23, it is recommended that you start coding invoices with all codes supported by the medical record, keeping in mind there may be some specific coding requirements unique to Grouper 23. Additionally, once the APR DRG classification system is implemented, hospitals will be given the opportunity to adjust claims that were submitted with the required principle and complicating diagnosis and procedure codes in order to process through Grouper Version 23.

In order to assist with the implementation of the APR DRG classification system, hospitals may submit up to 25 diagnosis and 25 procedure codes, which will be accepted by the PROMISE™ claims processing system.

Outliers:

Under the current DRG Grouper Version 23 classification system, the Department recognizes two categories of outliers: day outliers for lengthy inpatient hospital stays and cost outliers for expensive burn and neonatal inpatient hospital stays. With the implementation of the APR DRG classification system, only high cost outliers will be recognized at this time.

**Thank you for your service to our Medical Assistance recipients. We value your participation.
Check the Department of Public Welfare's website often: www.dpw.state.pa.us**



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