



SoonerCare Provider Reimbursement Notice

OKC Metro Area (405) 522-6205 / Statewide Toll-Free (800) 522-0114

Hospital Diagnosis-Related Group (DRG) Changes

OHCA PRN 2015-07

July 13, 2015

Dear Hospital Administrators:

This notice is to inform you of the details of the Hospital Diagnosis-Related Group (DRG) changes that were approved by the OHCA board effective July 1, 2015, as well as to update you on other programs.

Budget Related Changes for July 1, 2015

OHCA will reduce Diagnosis-Related Group (DRG) Outlier payments by increasing the DRG threshold to \$50,000 from \$27,000. Costs (billed amount times hospital specific cost to charge ratio) on the claim must now be \$50,000 (was \$27,000) greater than the DRG base payment to trigger a high cost outlier payment.

OHCA will now pay the lesser of billed charges or the Diagnosis-Related Group (DRG) amount. For DRG claims, the payment may not exceed the billed charges.

For transfers (indicated by patient status codes 02,05,43,62,63,65,66,70,82,85,90,91,93,94,95) to another facility, OHCA will now pay the lesser of the transfer fee or Diagnosis-Related Group (DRG). In the case of a transfer, the Transfer Allowable Fee for the Transferring Facility shall be calculated as follows: $\text{Transfer Allowable Fee} = (\text{MS-DRG Allowable Fee} / \text{Mean Length of Stay}) \times (\text{Length of Stay} + 1 \text{ day})$. The total Transfer Fee paid to the transferring facility shall be capped at the amount of the MS-DRG Allowable for a non-transfer case. No outlier payments will be paid to the transferring hospital on transfer cases. Payment to the receiving facility, if it is also the discharging facility, will be at the DRG allowable plus outlier, if applicable.

DSH

A reminder that Federal Fiscal Year 2016 DSH forms are due by August 1, 2015.

DRG Rebase

In the past, OHCA has updated in January to the DRG grouper Medicare adopted the prior October. Due to implementation of ICD-10, OHCA will update to the new Medicare grouper (MS-DRG V33) October 1, 2015. This change is to eliminate potential issues with mapping.

If you have any questions or require additional information please phone Aaron Morris at (405) 522-7533 or email at Aaron.Morris@okhca.org.

Thank you for your continued service to Oklahoma's *SoonerCare* members.