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

Hospital DRG Rebase Update

OHCA PRN 2017-03

January 6, 2017

Dear Hospital Administrators:

This notice is an update on upcoming topics that impact hospitals.

DRG Rebase Update

Last year, OHCA performed the annual rebase of DRG base rates and weights in October to align with Medicare and prevent potential issues with change from ICD-9 to ICD-10. At that time, OHCA also updated to the DRG grouper Medicare adopted (MS-DRG V33).

It was the intent of OHCA to continue to update in October of each year, but due to concern for lack of ICD-10 data and the resulting potential budget risks the OHCA postponed the rebase for further analysis. OHCA did update to Medicare grouper (MS-DRG V34) effective October 1, 2016. OHCA has decided to continue to use DRG weights from the October 1, 2015 and base rates from January 1, 2016 update for October 1, 2016 – September 30, 2017 and will rebase for October 1, 2017. This will provide OHCA with the additional claims data and aid in a more accurate evaluation for the DRG rebase.

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

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