Annual DRG Rebasing effective January 1, 2009

OHCA PRN 2009-01

October 10, 2008

Hospital Administrators

This letter is to update you on the annual review process for inpatient hospital services paid under the Diagnosis Related Group (DRG) system.

Hospital Base Rates

We plan to mail out letters detailing each facility's base rate by November 1, 2008. Additionally, we will make the updated DRG weights available on our public website at www.okhca.org/providers/types/drq prior to implementation on January 1, 2009.

MS-DRG Grouper

OHCA will update the DRG grouper for discharges on or after January 1, 2009. As we do every year we will update in January to the DRG grouper Medicare adopts the prior October (MS-DRG V26). However we will **NOT** be using the Present on Admission (POA) logic. We **ARE** requesting that you begin to file this information for every diagnosis on your claim. Hospitals that fail to provide the POA code for discharges on or after January 1, 2009 will receive a remittance code informing them that they failed to report a valid POA code. Beginning with discharges on or after April 1, 2009 however, we will deny claims if the POA code is not reported. Because our DRG weights are based on the most current 3 years of *Medicaid* data available we believe we will need to collect this information for at least 3 years before we can determine the impact of using this information to group claims.

If you have any questions or require additional information please phone Kelly Taylor at (405) 522-7108 or email at Kelly.Taylor@okhca.org.

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