



# Rebasing of Hospital Reimbursement – Grouping and Repricing

## VA DMAS

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# Agenda

- I. Current Status
- II. 340B Drugs
- III. VA DMAS DRG Weights
- IV. Upcoming Activities

# Current Status

Virginia Medicaid Rebasing Milestones and Deliverables																		
#	Milestones	Start Date	End Date	January		February					March					Comments		
				15	22	1	8	15	22	27	4	11	17	24	31			
8	Reprice Inpatient DRG Claims	10/23/2023	12/10/2023	█														
9	Reprice Inpatient Per Diem Claims	11/25/2023	12/20/2023															
10	Reprice Outpatient EAPG Claims	11/8/2023	12/20/2023															
11	APR DRG State-Specific Weights	12/10/2023	12/20/2023															
12	Draft Modeling of DRG Rates and Parameters	12/15/2023	1/22/2024	█	█	█	█	█	█									
13	Draft Modeling of Psych/Rehab Per Diems	12/11/2023	1/22/2024	█	█	█	█	█	█	█								
	Freestanding Per Diems																	
	Acute Care Psych																	
	Acute Care Rehab																	
14	Draft Modeling of EAPG Rates and Parameters	12/18/2023	1/22/2024	█	█	█	█	█	█									
	ASC EAPG Model																	
15	Rebasing Presentation to DMAS and Stakeholders	1/22/2024	1/22/2024															
16	Finalize DRG Rates and Payment Parameters	1/22/2024	3/15/2024															DMAS Review underway. Potential edits in progress.
	Finalize DRG Weights																	DMAS Review underway. Potential edits in progress.
17	Finalize Psych/Rehab Per Diems	1/22/2024	3/15/2024															DMAS Review underway. Potential edits in progress.
18	Finalize EAPG Rates and Payment Parameters	1/22/2024	3/15/2024															DMAS Review underway. Potential edits in progress.
19	Final Presentations to DMAS and Stakeholders	3/29/2024	3/29/2024															

- █ Completed
- █ Active
- █ Not completed, but no projected delay
- █ Not completed, potential for delay
- █ Not Active

# 340B Drugs

# VA DMAS DRG Weights Draft

v40 APR DRG	Initial / Raw Values							Removing Statistical Outliers		
	Claim Count Initial	Avg Cost Per Case Prelim	SD Cost Per Case Raw	SD3 Cost Per Case Raw	Avg Cost Per Day Raw	SD Cost Per Day Raw	SD3 Cost Per Day Raw	Claims Excluded	Claim Count Final	Avg Cost Per Case Final
140-1	73	\$ 7,771	\$ 3,294	\$ 9,883	\$ 2,764	\$ 1,419	\$ 4,257	-	73	\$ 7,805
140-2	272	\$ 8,964	\$ 5,186	\$ 15,559	\$ 2,684	\$ 1,263	\$ 3,788	2	268	\$ 8,794
140-3	725	\$ 11,913	\$ 9,576	\$ 28,729	\$ 2,801	\$ 1,043	\$ 3,129	-	725	\$ 11,935
140-4	289	\$ 18,475	\$ 14,669	\$ 44,006	\$ 3,045	\$ 1,166	\$ 3,497	-	288	\$ 18,488
176-1	1	\$ 18,783			\$ 9,391			1	-	\$ 18,783
176-2	8	\$ 26,569	\$ 11,005	\$ 33,016	\$ 8,323	\$ 3,880	\$11,639	-	8	\$ 30,831
176-3	9	\$ 28,867	\$ 7,320	\$ 21,959	\$ 6,084	\$ 4,550	\$13,650	-	9	\$ 28,867
176-4	2	\$ 63,229	\$ 49,615	\$ 148,846	\$ 3,977	\$ 62	\$ 187	2	-	\$ 63,229

# VA DMAS DRG Weights Draft

v40 APR DRG	DRG Origin	v40 DRG Rel Wt National	Average Length of Stay			DRG Relative Weight			
			v40 DRG ALOS VA Prelim	v40 DRG ALOS Final	GH ALOS Chng Ind	v40 DRG Rel Wt VA Prelim	v40 DRG Rel Wt VA SOI Adjst	GH Rel Wt Chng Ind	v40 DRG Rel Wt VA Final
140-1	VA	0.4472	3.23	3.23	N	0.4605	0.4605	N	0.4524
140-2	VA	0.5588	3.66	3.66	N	0.5189	0.5189	N	0.5098
140-3	VA	0.6845	4.54	4.54	N	0.7042	0.7042	N	0.6918
140-4	VA	1.0648	6.40	6.40	N	1.0909	1.0909	N	1.0717
176-1	Ntnl	1.4527	2.29	2.29	N	1.4527	1.4527	N	1.4272
176-2	VA	1.7754	3.71	3.71	N	1.8192	1.8192	N	1.7873
176-3	VA	2.8179	6.11	6.11	N	1.7033	2.8874	Y	2.8367
176-4	Ntnl	4.5597	11.27	11.27	N	4.5597	4.5597	N	4.4796

# VA DMAS DRG Weights

Draft

DRG 589

Initial / Raw Values								Removing Statistical Outliers		
v40 APR DRG	Claim Count Initial	Avg Cost Per Case Prelim	SD Cost Per Case Raw	SD3 Cost Per Case Raw	Avg Cost Per Day Raw	SD Cost Per Day Raw	SD3 Cost Per Day Raw	Claims Excl	Claim Count Final	Avg Cost Per Case Final
589-1	3	\$ 172,639	\$ 231,133	\$ 693,398	\$ 4,593	\$ 1,001	\$ 3,003	3	-	\$ 172,639
589-2	5	\$ 562,557	\$ 968,182	\$ 2,904,546	\$ 4,422	\$ 1,751	\$ 5,252	-	5	\$ 562,557
589-3	26	\$ 283,046	\$ 233,641	\$ 700,924	\$ 3,682	\$ 1,476	\$ 4,429	-	24	\$ 282,102
589-4	38	\$ 73,465	\$ 150,583	\$ 451,750	\$ 2,660	\$ 1,877	\$ 5,631	-	37	\$ 73,607

			Average Length of Stay			DRG Relative Weight			
v40 APR DRG	DRG Origin	v40 DRG Rel Wt National	v40 DRG ALOS VA Prelim	v40 DRG ALOS Final	GH ALOS Chng Ind	v40 DRG Rel Wt VA Prelim	v40 DRG Rel Wt VA SOI Adjst	GH Rel Wt Chng Ind	v40 DRG Rel Wt VA Final
589-1	Ntnl	11.3316	58.22	113.21	Y	11.3316	34.4110	Y	33.8068
589-2	VA	10.9307	109.20	109.20	N	33.1936	33.1936	N	32.6108
589-3	VA	10.4064	85.33	85.33	N	16.6454	16.6454	N	16.3532
589-4	VA	1.9717	26.05	26.05	N	4.3432	4.3432	N	4.2669

# March Activities

Finalize Rate Setting/Fiscal Impact Simulations  
Provide Documentation of Process  
Present Provider Rates and Fiscal Impact Models