DRGs and ABF For Coders

October 2012

Clinical Coding Services Pty Ltd
Overview

- Diagnosis Related Group (DRG) assignment
- National Weighted Activity Unit (NWAU) calculation
- Coding – Casemix/Activity Based Funding (ABF) link
What is ....

- DRG = Diagnosis Related Group
  - Categorises patients into clinically meaningful groups with similar resource consumption and costs
- ABF = Activity Based Funding
  - Also known as Casemix Funding
  - Pays hospitals a set amount for each inpatient episode according to the DRG assigned
What does this mean for coders?

- Coding is the basis of the DRG classification system
  - ICD-10-AM/ACHI codes are assigned to Diagnoses and Procedures relevant to the IP episode
  - Codes entered onto PAS
  - ‘Grouper’ - allocates DRG
  - Data transmitted to State/Territory health dept / health fund
  - Hospital receives funding
## History of Casemix

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1970’s</td>
<td>DRGs first developed in USA (Yale University) initially to identify variation in performance and quality of care</td>
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<tr>
<td>1988</td>
<td>Funding allocated for development of Australian DRGs (AN-DRGs)</td>
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<tr>
<td>July 1992</td>
<td>v1.0 AN-DRG released</td>
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<tr>
<td>July 1993</td>
<td>Victoria adopted v1.0; Start of casemix funding in Victoria, first State to fund by DRG</td>
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</table>
History of Casemix

- Other States have introduced casemix funding over the years
- Some States used DRGs for throughput management but not directly for funding
- Some Health funds also use DRGs for casemix / episode payments
Grouper Versions

- **AN-DRG**
  - Australian National DRG
  - v1 to v3

- **AR-DRG**
  - Australian Refined DRG
  - Revised logic, new numbering, intro of severity systems
  - v4 to v6
  - v7 currently under development
**AR-DRG v6.x**

- DRG numbering:
  - A01Z – Z65Z
  - 801A/B/C Unrelated OR DRGs
  - 960Z/961Z/963Z Error DRGs

- 708 DRGs
AR-DRG v6.x

- For example:
  - E69A Bronchitis and Asthma W CC
  - E69B Bronchitis and Asthma W/O CC
  - G01A Rectal Resection W Cat CC
  - G01B Rectal Resection W/O Cat CC
  - 801C OR Procedures unrelated to principal diagnosis W/O CC
  - 960Z Ungroupable
Key Abbreviations

- **AN-DRG**
  Australian National Diagnosis Related Groups (up to V3)
- **AR-DRG**
  Australian Refined Diagnosis Related Groups (V4 and on)
- **CC**
  Complication and Co-morbidity
- **CCL**
  Complication and Comorbidity Level
Key Abbreviations

- DRG  
  Diagnosis Related Group
- HMV  
  Hours on Mechanical Ventilation
- MDC  
  Major Diagnostic Category
Key Abbreviations

- **NEP**
  National Efficient Price

- **NWAU**
  National Weighted Activity Unit

- **OR**
  Operating Room

- **PCCL**
  Patient Clinical Complexity Level
DRG Assignment

Data items used by Grouper include:

- ICD-10-AM diagnosis codes
- ACHI procedure codes
- Sex
- Age
- Separation mode
- Length of stay
- Leave days
- Same day status
- Admission weight for infants
- Mental health legal status
- Hours on mechanical ventilation
Grouping Process Summary

1. Editing (demographic and clinical)
2. MDC assignment
3. Pre MDC processing
4. MDC processing
5. Adjacent DRG assignment
6. CCL & PCCL assignment
7. DRG assignment
1. Editing (demographic and clinical)

- Checks validity of demographic variables, e.g.
  - Age is less than 124 years

- Checks validity of codes, e.g.
  - PDx is not on Unacceptable PDx list
  - Age conflict
1. Editing (clinical and demographic)

- If fail edits, falls into an error DRG:
  - 960Z Ungroupable
  - 961Z Unacceptable principal diagnosis
  - 963Z Neonatal diagnosis not consistent w age/weight
Example

- Age Y: 45 | Sex: F
- MDC: 14  Pregnancy, Childbirth & Puerperium
- DRG: 961Z Unacceptable Principal Dx

- Principal Diagnosis:
  - Z370 Single live birth

- Status  *Unacceptable principal diagnosis
2. MDC Assignment

- Based on body system or aetiology, e.g.
  - MDC 01 Diseases and disorders of the nervous system
  - MDC 22 Burns

- PDx used to determine MDC
  - but some exceptions
2. MDC Assignment

• The first Alpha character of the DRG indicates the MDC to which it belongs, e.g.
  • ‘B’ is MDC 01 Diseases and disorders of the nervous system
  • ‘F’ is MDC 05 Diseases and disorders of the circulatory system
  • ‘Y’ is MDC 22 Burns
3. Pre MDC Processing

a) Designed to identify some very high cost Adjacent DRGs to move them into ‘Pre-MDC’ DRGs:

- transplants of liver, lung, heart, bone marrow and kidney
- ECMO (extracorporeal membrane oxygenation) without cardiac surgery
- I/O VAD, spinal infusion device or neurostimulator device
- tracheostomy or cricothyrorostomy
- ventilation >95 hours
3. Pre MDC Processing

b) Changes MDC assignment in cases where MDC not defined exclusively on basis of PDx:

- quadriplegia or paraplegia
- patient aged < 28 days on admission or < 1 year with adm weight < 2500g
- HIV
- significant trauma > 1 body site
Example

- MDC: 09  Skin, Subcutaneous Tissue & Breast
- DRG: J60B Skin Ulcers w/o Ccc

- Principal Diagnosis:
  L892 Decubitus [pressure] ulcer, stage III
Example

- MDC: 01 Nervous System
- DRG: B82C Chr Unsp Para/Quad+/- Pr w/o CscC

- Principal Diagnosis:
  L892 Decubitus [pressure] ulcer, stage III

- Secondary Diagnoses:
  G8222 Paraplegia, unspecified, chronic
4. MDC Processing

Splits the MDC into:

- **Surgical:**
  - at least one OR procedure considered significant by the DRG classification

- **Other:**
  - no OR procedure but at least one non-OR procedure
    - e.g. colonoscopy, cardiac catheter

- **Medical:**
  - no OR or non-OR procedures
4. MDC Processing

- The partition is denoted by the 2 numbers in the DRG
  - Surgical: Range 01-39
  - Other: Range 40-59
  - Medical: Range 60-99

- e.g.
  - I09B is surgical
  - F40Z is other
  - P67D is medical
4. MDC Processing

- Not all MDCs have 3 partitions
- ‘Surgical’ and ‘other’ partitions are generally organised hierarchically, in order of decreasing resource consumption
- No hierarchy for ‘medical’ partitions as the diagnosis lists are mutually exclusive
5. Adjacent DRG Assignment

- Adjacent DRGs are generally defined by diagnosis and procedures, e.g.
  - G60 Digestive Malignancy
  - G61 GI Haemorrhage
  - G62 Complicated Peptic Ulcer
  - G63 Uncomplicated Peptic Ulcer
  - G64 Inflammatory Bowel Disease
  - ........
5. Adjacent DRG Assignment

- Adjacent DRGs are generally defined by diagnosis and procedures, e.g.
  - G01 Rectal Resection
  - G02 Major Small and Large Bowel Procedures
  - G03 Stomach, Oesophageal and Duodenal Procedures
  - G04 Peritoneal Adhesiolysis
  - ......
Example

- MDC: 06  Digestive System
- DRG: G60B Digestive Malignancy w/o Ccc
- Principal Diagnosis:
  C20 Malignant neoplasm of rectum
- Procedures:
  9619900  IV admin of pharmac agent antineoplastic
Example

- MDC: 06  Digestive System
- DRG: G48B Colonoscopy w/o Cscs
- Principal Diagnosis:
  
  C20  Malignant neoplasm of rectum

- Procedures:
  
  3209000  Fibreoptic colonoscopy to caecum
Example

- MDC: 06  Digestive System
- DRG: G01B Rectal Resection w/o Ccc
- Principal Diagnosis:
  - C20 Malignant neoplasm of rectum
- Procedures:
  - 3202500  Low anterior resect rectum
Example

- MDC: 06  Digestive System
- DRG: G01B Rectal Resection w/o Ccc
- Principal Diagnosis:
  - C20 Malignant neoplasm of rectum
- Procedures:
  - 3202500  Low anterior resect rectum
  - 3209000  Fibreoptic colonoscopy to caecum
6. CCL/PCCL Assignment

- CCL: Complication and comorbidity level
  - severity weights given to all diagnosis codes

- PCCL: Patient Clinical Complexity Level
  - the cumulative effect of the CCLs
6. CCL/PCCL Assignment

- CCL values range from:
  - 0 – 4 for surgical and neonate episodes
  - 0 – 3 for medical episodes
Complication and/or Comorbidity (CC) Codes

- CCs are additional diagnoses that are likely to result in significantly greater resource consumption

  - Neonates:
    - 3,286 dx codes
  - Non-neonates:
    - 3,070 dx codes

"Cause of death was an unexpected post-surgical complication. His wife caught him flirting with a nurse."
CCL Values

- 0 = not a CC; code forms part of definition of DRG to which episode is assigned; code is closely related to the PDx; code is repeated elsewhere in record
- 1 = minor CC
- 2 = moderate CC
- 3 = severe CC
- 4 = catastrophic CC
## Example of CCL Values

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Surgical</th>
<th>Medical</th>
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</thead>
<tbody>
<tr>
<td>E875</td>
<td>Hyperkalaemia</td>
<td>3,4</td>
<td>2,3</td>
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<tr>
<td>E876</td>
<td>Hypokalaemia</td>
<td>3,4</td>
<td>2,3</td>
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<tr>
<td>E877</td>
<td>Fluid overload</td>
<td>2,3</td>
<td>2,3</td>
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<tr>
<td>E878</td>
<td>Oth disrd electrolyte &amp; fluid bal NEC</td>
<td>3,4</td>
<td>2,3</td>
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<td>E891</td>
<td>Postprocedural hypoinsulinaemia</td>
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<td>E892</td>
<td>Postprocedural hypoparathyroidism</td>
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<tr>
<td>E896</td>
<td>Postproc adrenocortical hypofunction</td>
<td>2</td>
<td>1,2</td>
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<tr>
<td>F000</td>
<td>Early dementia in Alzheimer’s dis</td>
<td>2,3,4</td>
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<tr>
<td>F001</td>
<td>Late dementia in Alzheimer’s dis</td>
<td>2,3,4</td>
<td>2,3</td>
</tr>
</tbody>
</table>
Example

- MDC: 06  Digestive System
- DRG: G60B Digestive Malignancy w/o CCC
- Principal Diagnosis:  CCL
  C20 Malignant neoplasm of rectum
- Secondary Diagnoses:  E876  Hypokalaemia  3
Example

- MDC: 12 Male Reproductive System
- DRG: M60B Malignancy, Male Repr Sys w/o CSCC
- Principal Diagnosis: CCL
  C61 Malignant neoplasm of prostate
- Secondary Diagnoses:
  E876 Hypokalaemia  2
6. CCL/PCCL Assignment

- Once CCL values are assigned to all codes
  - codes are ranked alphabetically in descending order of CCL value and the *Recursive Exclusion Process* applied
  - each diagnosis is treated as the principal diagnosis (‘anchor’) and the cc status of each remaining diagnosis is reviewed in relation to the ‘anchor’
### TABLE C.1 Combinations of CCL values that give PCCLs 1 to 4

<table>
<thead>
<tr>
<th>PCCL</th>
<th>CCL 1</th>
<th>CCL 2</th>
<th>CCL 3</th>
<th>CCL 4</th>
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</table>
# PCCL Calculation

**TABLE C.1 Combinations of CCL values that give PCCLs 1 to 4**

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</table>
Example

- MDC: 06  Digestive System
- DRG: G60B Digestive Malignancy w/o CCC
- PCCL : 3
- Principal Diagnosis: CCL
  C20 Malignant neoplasm of rectum
- Secondary Diagnoses:
  E876  Hypokalaemia  3
Example

<table>
<thead>
<tr>
<th>ADRG G60</th>
<th>Digestive Malignancy</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Principal diagnosis in table TAB-G60-1</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DRG G60A</th>
<th>Digestive Malignancy W Catastrophic CC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PCCL &gt; 3</td>
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</tbody>
</table>

| DRG G60B | Digestive Malignancy W/O Catastrophic CC |
Example

- MDC: 06  Digestive System
- DRG: G60B Digestive Malignancy w/o CCC
- PCCL : 3
- Principal Diagnosis:  
  C20 Malignant neoplasm of rectum
- Secondary Diagnoses:  
  E876 Hypokalaemia  3
  C772 Sec neoplsm intrabdo lymph node  2
### PCCL Calculation

**TABLE C.1 Combinations of CCL values that give PCCLs 1 to 4**

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Example

- MDC: 06  Digestive System
- DRG: G60A Digestive Malignancy with CCC
- PCCL : 4
- Principal Diagnosis:  
  C20 Malignant neoplasm of rectum
- Secondary Diagnoses:  
  E876 Hypokalaemia 3
  C772 Sec neoplsm intrabdo lymph node 2
  C795 Sec malgt neoplasm bone 2
# PCCL Calculation

## TABLE C.1 Combinations of CCL values that give PCCLs 1 to 4

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</table>
7. DRG Assignment

Designed to reflect differing resource consumption, the specific adjacent DRG is assigned based on:

- PCCL
- age
- malignancy
- same-day status
- mental health legal status
- mode of separation
7. DRG Assignment

- ‘splits’ are notated at the 4th character level of the DRG with A, B, C or D
  - ‘A’ is highest consumption of resources; ‘D’ is lowest

- Some DRGs do not have splits
  - denoted by 4th character ‘Z’
Example

- **M02A** TURP w Cat or Sev CC
  - PCCL >2
- **M02B** TURP w/o Cat or Sev CC
- **M05Z** Circumcision
- **M40Z** Cystourethroscopy, *sameday*
To Summarise:

Documentation + Coding + Patient Variables = DRG
Exercise 1

- 80 y.o. female admitted with cerebral infarction. Deficits of hemiplegia and aphasia, treated. Also insulin requiring NIDDM with renal and neurological complications. Deteriorated and died on Day 4.

- What DRG would be assigned?
Choices.....

- B70A
  - *Stroke and Other Cerebrovascular Disorders W Cat CC*

- B70B
  - *Stroke and Other Cerebrovascular Disorders W Sev CC*

- B70C
  - *Stroke and Other Cerebrovascular Disorders W/O Cat or Sev CC*

- B70D
  - *Stroke and Other Cerebrovascular Disorders, Died or Transferred <5 Days*
80 y.o. female admitted with cerebral infarction. Deficits of hemiplegia and aphasia, treated. Also insulin requiring NIDDM with renal and neurological complications. Deteriorated and died on Day 4.

DRG B70D Stroke and Other Cerebrovascular Disorders, Died or Transferred <5 Days
Exercise 2

- 40 y.o. male, femoral hernia repair. Peritoneal adhesions also divided.

- What DRG would be assigned?
Choices.....

- G10B Hernia Procedures w/o Cc
- G10A Hernia Procedures w Cc
- G04C Peritoneal Adhesiolysis w/o Cc
- G04B Peritoneal Adhesiolysis w Smcc
- G04A Peritoneal Adhesiolysis w Ccc
Answers 2

- 40 y.o. male, femoral hernia repair. Peritoneal adhesions also divided.

- DRG G04C Peritoneal Adhesiolysis w/o Cc
Exercise 3

- 60 y.o. male admitted with unstable angina. LHC and coronary angiogram performed on day 2. CAD in R. coronary artery diagnosed. No complications. Discharged day 3.

- What DRG would be assigned?
Choices....

- F72B Unstable Angina w/o CscC
- F72A Unstable Angina w CscC
- F66B Coronary Atherosclerosis w/o CscC
- F66A Coronary Atherosclerosis w CscC
- F42B Circ Dsrd w/o AMI w Invas card Invest Pr w/o CscC
- F42A Circ Dsrd w/o AMI w Invas card Invest Pr w CscC
60 y.o. male admitted with unstable angina. LHC and coronary angiogram performed on day 2. CAD in R. coronary artery diagnosed. No complications. Discharged day 3.

DRG F42B Circ Dsrd w/o AMI w Invasive cardiac Investigative Proc w/o Cscg
STRETCH!!!
Now we have the DRG, what is it worth?

- **NWAU (National Weighted Activity Unit)**
- A discrete unit of output, comparable across hospitals
- The unit to which the NEP (National Efficient Price) is applied
Example

- **G01B Rectal resection w/o CCC**
  - Inlier price weight = 4.5085
- **G48B Colonoscopy w/o CSCC**
  - Inlier price weight = 1.0236
- **G60B Digestive malignancy w/o CCC**
  - Inlier price weight = 0.8918
NWAU

- Used across all ABF service streams
- E.g. applied to one unit of activity for
  - IP – DRG
  - OP – Tier 2 Outpatient Clinics
  - ED – URG or UDG

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NWAU Development

- Costs for a range of medical, allied health, pathology, radiology and support service are collected by hospitals (public and private)
- Reported to the National Hospital Cost Data Collection (NHCDC)
- NHCDC + APC NMDS (activity) data used to develop NWAU and determine NEP
NWAU Assignment Process

- 13 variables required:
  - Establishment ID
  - Age at admission
  - Indigenous status
  - Postcode of usual residence
  - Area of usual residence (SLA)
  - Care type
  - Funding source for hospital patient
NWAU Assignment Process

- 13 variables required, contd.
  - Admitted patient election status
  - AR-DRG v6.x
  - Same day patient flag
  - No. qualified days for newborns
  - Length of stay (minus leave days)
  - Eligible ICU hours
NWAU Assignment Summary

1. Calculate NWAU Base
2. Apply adjustments
3. Identify episodes in-scope for ABF
1. Calculate NWAU Base

- NWAU Base is the weight adjusted for patient LOS (from Price Weight table)
  - Same day
  - Short stay outlier
  - Short stay outlier per diem
  - Inliers
  - Long stay outlier per diem
Example

- **G60B Digestive malignancy w/o CCC**
  - Lower boundary = 1
  - Upper boundary = 14
  - Price weight
    - Same day = 0.2341
    - Short stay outlier = not applicable
    - Inlier = 0.8918 (1 to 14 days)
    - Long stay outlier (>14 days) = inlier (0.8918) + 0.1934 per diem
Example

- **G60A Digestive malignancy w CCC**
  - Lower boundary = 3
  - Upper boundary = 28
  - Price weight
    - Same day = 0.2341
    - Short stay outlier
      - base = 0.000 + per diem = 0.3744
    - Inlier = 2.5086 (3 to 28 days)
    - Long stay outlier (>28 days) = inlier (2.5086) + 0.2130 per diem
2. Apply Adjustments

- Paediatric – NWAU 2
  - Designated hospitals only, and
  - DRG not within MDC 15 *Newborns and other neonates*, and
  - Pt age ≤ 16 years at admission
- Adjustment as per Price weight table
Example

- G60B Digestive malignancy w/o CCC
  - LOS 5 days
  - Designated children’s hospital
  - Age 10
  - Price weight
    - Inlier = 0.8918 (1 to 14 days)
  - Paediatric adjustment for G60B = 193%
    - “NWAU 2” = 1.7212
2. Apply Adjustments

- Indigenous and remoteness area – NWAU 3
- Indigenous:
  - Patient identifies as being Aboriginal and/or Torres Strait Islander origin
- Remoteness:
  - Residential address is: Outer regional, Remote area or Very remote area
## 2. Apply Adjustments

<table>
<thead>
<tr>
<th>Remoteness Area</th>
<th>Indigenous</th>
<th>Non-Indigenous</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major cities of Australia</td>
<td>5.0%</td>
<td>-</td>
</tr>
<tr>
<td>Inner Regional Australia</td>
<td>5.0%</td>
<td>-</td>
</tr>
<tr>
<td>Outer Regional Australia</td>
<td>13.7%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Remote Australia</td>
<td>20.3%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Very Remote Australia</td>
<td>24.4%</td>
<td>19.4%</td>
</tr>
</tbody>
</table>

Clinical Coding Services Pty Ltd
**Example**

- **G6oB Digestive malignancy w/o CCC**
  - LOS 5 days, Age 60, Aboriginal, Major city postcode
  - Price weight
    - Inlier = 0.8918 (1 to 14 days)
  - Paediatric adjustment = not applicable
    - “NWAU 2” = 0.8918
  - Indigenous/remote adjustment = 5%
    - “NWAU 3” = 0.9364
Example

- **G60B** Digestive malignancy w/o CCC
  - LOS 5 days, Age 60, Aboriginal, Remote Australia postcode
  - Price weight
    - Inlier = 0.8918 (1 to 14 days)
  - Paediatric adjustment = not applicable
    - “NWAU 2” = 0.8918
  - Indigenous/remote adjustment = 20.3%
    - “NWAU 3” = 1.0728
2. Apply Adjustments

- Intensive Care Unit – NWAU 4
  - DRG not within MDC 15 *Newborns and other neonates*, and
  - Not identified as “Bundled ICU” in Price weight table, and
  - Pt has spent time in a Specified ICU
    - ANZICS Level 3 ICU and PICU
  - 0.0394 NWAU per hour in Specified ICU
  - LOS in ICU is removed from the episode LOS
Example

- **G60B Digestive malignancy w/o CCC**
  - LOS 5 days, Age 60, ICU 40 hours
  - Price weight on revised LOS of 4 days
    - Inlier = 0.8918 (1 to 14 days)
  - Paediatric adjustment = not applicable
  - Indigenous/remote adjustment = N/A
  - ICU adjustment = 0.0394 x 40 (hrs)
    - “NWAU 4” = 2.4678 (0.8918 + 1.5760)
2. Apply Adjustments

- **Private patient:**
  - **Service**
    - Price weight table
  - **Accommodation**
    - Different rates:
      - SD vs. overnight
      - States and Territories
## Private Patient Accommodation Adjustment

<table>
<thead>
<tr>
<th></th>
<th>NSW</th>
<th>Vic</th>
<th>Qld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Same Day</td>
<td>0.0484</td>
<td>0.0488</td>
<td>0.0500</td>
</tr>
<tr>
<td>Overnight</td>
<td>0.0690</td>
<td>0.0662</td>
<td>0.0709</td>
</tr>
</tbody>
</table>
Example

- **G60B Digestive malignancy w/o CCC**
  - LOS 5 days, age 60, private pt, NSW
- **Price weight**
  - Inlier = 0.8918 (1 to 14 days)
- **Paediatric, indigenous, remote, ICU = N/A**
  - “NWAU 4” = 0.8918
- **Private pt service**
  - = 73% x 0.8918 = 0.6510
- **Priv pt accom, o’night, NSW = 0.0690**
  - 0.0690 x 5 = 0.3450
  - 0.6510 minus 0.3450 = 0.3060
3. Identify Episodes In-scope For ABF

- Episodes are classified by:
  - Funding source / election status
  - Hospitals in-scope for ABF
  - Private hospital episodes
NEP Applied

- NEP (National Efficient Price) $4,808

- Applied to the final NWAU of in-scope for National ABF episodes
Example

- G60B Digestive malignancy w/o CCC
- Inlier
  - “Base NWAU” = 0.8918 (1 to 14 days)
  - $4,287
- 10 y.o. in Paediatric hosp
  - “NWAU 2” = 1.721
  - $8,274
Example

- G60B *Digestive malignancy w/o CCC*
- 60 y.o., Aboriginal, Major city p/code
  - “NWAU 3” = 0.9364
  - $4,502
- 60 y.o., Aboriginal, Remote Australia
  - “NWAU 3” = 1.0728
  - $5,158
Example

- G60B *Digestive malignancy w/o CCC*
- 60 y.o., ICU 40 hours
  - “NWAU 4” = 2.4678
  - $11,865
- 60 y.o., private pt, NSW
  - NWAU = 0.3060
  - $1,471
To Summarise:

- Documentation + Coding + Patient Variables = DRG
- DRG + LOS + adjustments + in-scope episodes = NWAU
- NWAU x NEP = Activity Based Funding ($$)
STRETCH!!!
Coding – ABF/Casemix Link

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Coding – Casemix/ABF

- Coders should be familiar with logic of DRG grouping and revenue calculation
- Coders should verify DRG assignment and revenue calculation for every episode
There is one thing wrong with the following code string. What is wrong?

- PDx – J44.0 *Chronic obstructive pulmonary disease with acute lower respiratory infection*
- ADx – J22 *Unspecified acute lower respiratory infection*
- ADx – N17.9 *Acute kidney failure, unspecified*
- ADx – Z72.0 *Tobacco use, current*
Coding check – Answer 1

- ADx – J22 *Unspecified acute lower respiratory infection*
- Should not be coded
Coding check – Example 2

There is one thing wrong with the following code string. What is wrong?

- PDx – K80.10 *Calculus of gallbladder with other cholecystitis, without mention of obstruction*
- ADx – J45.9 *Asthma, unspecified*
- Proc – 30445-00 *Lap cholecystectomy*
- Proc – 30439-00 *Intraoperative cholangiography*
- Proc – 30393-00 *Lap division of abdominal adhesions*
- Proc – 92514-19 *GA, ASA 1*
Coding check – Answer 2

- Requires an ADx of
- K66.0 Peritoneal adhesions
Coding check – Example 3

There is one thing wrong with the following code string. What is wrong?

- **PDx** – O80 *Single spontaneous delivery*
- **ADx** – O68.0 *Labour and delivery complicated by fetal heart rate anomaly*
- **ADx** – Z37.0 *Single live birth*
- **Proc** – 16520-02 *Elective lower segment caesarean section*
- **Proc** – 92508-19 *Neuraxial block, ASA 1*
Coding check – Answer 3

> PDx – O80 Single spontaneous delivery

- Should be O82 Single delivery by caesarean section
Coding check – Example 4

There is one thing wrong with the following code string. What is wrong?

- **PDx – I12.0 Hypertensive kidney disease with kidney failure**
- **ADx – N18.5 Chronic kidney disease, stage 5**
- **ADx – N39.0 Urinary tract infection, site not specified**
Coding check – Answer 4

> ADx – N18.5 *Chronic kidney disease, stage 5*

- Should not be coded with I12.0
Timing of coding

- Timing of coding is important
- Potential for increased frequency / shorter timelines for data submission
Activity Targets

- Hospital activity is determined in conjunction with State/Territory health depts.
- LHNs have activity targets
- The better we can code the first time, the easier for hospital to monitor its activity against target
Coding/DRG Quality

- Coding needs to be complete and accurate for all purposes
- Audit the coding
- Audit other data items too
Code of Ethics for Clinical Coders

- Developed by NCCH and endorsed by CSAC in 1999
  - Published in ACS, Appendix B
- Provides guidance for clinical coders and enables clinicians and managers to understand the ethical obligations of the clinical coder
Liaison With Clinicians

- Clinicians need to understand ABF too
- Documentation clarification/queries
- Coders should be the superheroes:
  - Coding
  - Documentation that impacts the DRG
  - DRGs/ABF
Are You ABF Ready?

- Do you have the tools required?
  - Coding ✓
  - Integrated grouper ✓
  - References
  - Price weight table / health fund contract
  - Processes/systems
  - Coder environment
  - Clinician liaison
  - Management support
Coders are at the wave of funding changes

Can you ensure the best outcome for your organisation?
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