



What's up Doc? case management news

MS-DRG MEDICARE SEVERITY DIAGNOSIS RELATED GROUPS

What does this mean?

“Centers for Medicare & Medicaid have established 3 tiers of payment for each DRG based on the presence of:

- A major complication or comorbidity (MCC)
- A complication or comorbidity (CC)
- No complication or comorbidity

Pay for Performance is Coming!

Once implemented, your **documentation** will have a direct impact on your pay-check.

SPECIFICITY IS THE KEY WORD

Be SPECIFIC and detailed

Always list:(examples)

Type

- Acute Blood Loss Anemia is MORE specific than just documenting Anemia
- Acute, Systolic congestive Heart Failure

Location

- Acute MI, Anterior Wall
- Cellulitis of the lower leg

With

- Acute Renal Failure with Diabetes

Due to

- CVA due to Hemorrhage

Complications

- Viral Pneumonia complicated by Empyema

Base Rate Reductions

Under MS-DRG, hospitals will have financial incentives to improve documentation to ensure the patient's severity of illness is accurately reflected. CMS knows this and expects hospitals to make the change.

CMS will **reduce base rates** because of these anticipated improvements in documentation.

The reductions will be .6% in 2008, .9% in 2009, and 1.8% in 2010

For your convenience an educational program will be provided to the medical staff on 10/20/08 by UM/HIM. You will also receive a pocket size laminated "Severity Documentation Tips" booklet.

Points to Remember...

MS-DRG a new acronym for Medicare Severity Diagnostic Related Groups, MS-DRGs are designed to reflect the **severity** of the patients condition.

EXAMPLES OF **CC'S** (COMORBIDITIES) AND **MCC'S** (MAJOR COMORBIDITIES) will be defined and made available to you.

Example of MS-DRG Reimbursement with specific documentation

1. Primary dx: Acute Congestive Heart Failure
With CC: angina LOS 3.7 days
Reimbursement: \$2,610.00 MS/ DRG
2. Primary Dx: Acute Congestive Heart Failure
With CC: unstable angina LOS 5 days
Reimbursement \$3,640.00 MS/DRG



The million dollar question

How do **I** know which clinical terms and codes will affect reimbursement under the MS-DRG system?

Stayed tuned... and we'll help answer that question.

Questions? Contact Debbie Picou, RN 873-1833