



Impact of the MS-DRGs on the AHRQ QIs

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Use of the CMS DRGs in the AHRQ QIs

- Denominator specification
 - PSIs/PDIs (e.g. Medical, Surgical DRGs)
 - Obstetric DRGs
 - IQIs (Craniotomy)
- Exclusions
 - PSIs/PDIs
 - cancer, cardiac, cardiac arrhythmia, infection, trauma
- Risk Adjustment
 - PSIs/PDIs
- Stratification
 - Select PDI



Evolution of the DRGs

- Goal to better account for severity of patient
- Selected CMS DRGs are divided into with and without complications and comorbidities
- Recommendations made by MedPAC to incorporate patient severity into DRG
- Planned to adopt Consolidated Severity DRGs (CS DRGs)
- Contracted with RAND to investigate alternative severity adjusted DRGs, including CS DRGs, proprietary systems, MS-DRGs
- In FY 2008, ruled that it would adopt the Medicare Severity DRGs (MS-DRGs)



What are the MS-DRGs

- The MS-DRGs account for difference in severity by dividing base DRGs into up to 3 severity groups
- Severity groups are defined using secondary diagnosis and procedure codes (no CC, CC, MCC)
- Retains current base DRGs by coalescing DRGs previously split by CC
- Empirically, each base DRG was determined to have:
 - 1 severity group (combining no CC, CC and MCC)
 - 2 severity groups (either no CC/CC and MCC or no CC and CC/MCC)
 - 3 severity groups



MS-DRG Reclassification

- Moving from 538 DRGs to 745 MS-DRGs
- Patients in any one CMS DRG may be split between multiple DRGs
- Nearly all DRGs now have multiple severity categories
- Pediatric DRGs removed and pediatric patients reclassified to adult DRGs
- Obstetric DRGs left as is



Impact on the AHRQ QIs

PSIs	Denominator: Medical and Surgical DRGs	New MS-DRGs translate. No impact.
PSIs	Denominator: Exclusions for cancer, trauma, infection, and immunosuppression	Current exclusions defined using both ICD-9 and DRG. DRG removed, 1% impact
PSIs/ IQIs	Definitions relying only on DRG (cardiac surgery, arrhythmia and abdominopelvic surg)	Cardiac surgery redefined using ICD-9. Reduction in # excluded.



Impact on the AHRQ QIs

IQIs	Denominator for Craniotomy	New MS-DRGs translate. No impact.
PDIs	Adult DRGs exclusion	No longer applies. Age exclusion used exclusively.



Impact on the AHRQ QIs

Special cases

- Death in low mortality DRG
 - Requires estimation of low-mortality DRGs based on applying MS-DRG logic to earlier data
- Stratification of PDIs Postop Sepsis and Postop Wound Dehiscence
 - Conversion of stratification scheme to MS-DRGs and testing using earlier data
- Both issues will result in untested indicators until data using MS-DRGs becomes available



Impact of MS-DRGs on Risk Adjustment

- No impact IQIs (APR-DRGs) or PSIs (demographics only)
- PSIs and PDIs: recalculated model based on the base DRGs (no severity stratification). Separate models for CMS-DRGs and MS-DRGs.
 - Severity classification includes both complications and comorbidities, which would result in over-adjustment for PSIs if used



Questions?

