

# IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS    BT202090    JULY 21, 2020

## **IHCP announces updated changes to DRG grouper and cost-to-charge ratios**

The Indiana Health Coverage Program (IHCP) is announcing updates to rates and cost-to-charge ratios that were published in *IHCP Bulletin BT202077*, effective August 1, 2020.

The following sections provide updated information about the rates and relative weights for the new All-Patient Refined Diagnosis-Related Group (APR-DRG) grouper, version 36.



### **DRG base rate**

The Diagnosis-Related Group (DRG) base rate will be \$3,523.75 for acute care hospital services. The DRG base rate for eligible children's hospitals will be \$4,228.50. Providers eligible for the children's hospital base rate will be notified individually of their eligibility.

### **Outlier threshold and cost-to-charge ratios**

The threshold used to determine outlier payments will be updated to \$56,350. Hospital providers should expect to continue to use their existing cost-to-share ratios. Low-volume IHCP providers, new IHCP providers, and most out-of-state providers will continue to receive the statewide median cost-to-charge ratio of 0.3965.

### **Level-of-care rates**

Table 1 provides the level-of-care (LOC) per diem rates effective for inpatient stays with discharge dates on or after August 1, 2020.

*Table 1 – LOC per diem rates effective for inpatient stays with discharge dates on or after August 1, 2020*

<b>Service</b>	<b>Per Diem Rate</b>
Psychiatric LOC	\$408.50
Rehabilitation LOC	\$667.00
Burn/1 LOC	\$2,850.00
Burn/2 LOC	\$855.00

### **Capital per diem rates**

The capital per diem rate remains unchanged at \$64.50.

### **Medical education rates**

Myers and Stauffer will notify qualifying hospitals individually of their new medical education per diem rates.

### **Relative weights and average lengths of stay**

Please continue to use the complete list of new relative weights and average lengths of stay (ALOS) announced in *IHCP Bulletin BT202077*.

**QUESTIONS?**

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