

Response to the Independent Hospital Pricing Authority

Australian Refined Diagnosis Related Groups Version 10.0

Victorian Department of Health and Human Services
June 2018

Introduction

Victoria welcomes the opportunity to comment on the Independent Hospital Pricing Authority's Consultation Paper on Australian Refined Diagnosis Related Groups Version 10.0 (AR-DRG V10.0). Victoria supports the work of the Independent Hospital Pricing Authority (IHPA) in developing and refining the AR-DRG classification to ensure clinical currency and enable activity based funding arrangements.

Consultation question 1: Are there diagnoses proposed for exclusion (refer to Appendix B) that are considered significant in contributing to the complexity of treating a patient in an admitted episode of care that should remain in the complexity calculation for AR-DRG V10.0?

Victoria supports the unconditional exclusion of codes in Appendix B that are assigned to provide additional information to another code already assigned, as per the classification conventions. Victoria also supports the unconditional exclusion of codes in Appendix B that represent a symptom rather than a clinical diagnosis.

However, Victoria would like the IHPA to consider retaining the Diagnosis Complexity Level (DCL) on codes that are specific for a condition if assigned as principal diagnosis (e.g. constipation).

Additionally, Victoria suggests codes ending in '.9' that are indexed to several conditions should also retain their DCL if assigned as principal diagnosis, as it is unknown from the data for which condition the code has been assigned.

For the codes that have been added to Appendix B because of a high rate of increase in assignment that appears to coincide with the introduction of AR-DRG V8.0, Victoria suggests the list is reviewed against the Eleventh Edition ACS 0002 Additional diagnoses (currently under development).

Victoria considers that the long-term stability of code assignment and consequent diagnosis complexity levels is dependent on clearer guidelines for clinical coders to determine when a condition is considered to be clinically significant.

Consultation question 2: Are there other diagnoses not proposed for exclusion that should be added to the exclusion list?

Victoria does not propose any additional diagnoses be added to the exclusion list at this time.

Consultation question 3: Do you support the introduction of stabilisation methods to the AR-DRG complexity model?

Victoria supports the introduction of stabilisation methods to the AR-DRG complexity model, including reviewing the redistribution of episodes between complexity levels within and outside adjacent DRGs, and dead-banding about key parameter values within the Episode Clinical Complexity Model (e.g. Episode Clinical Complexity Score thresholds for splitting adjacent DRGs, rounding function used to calculate Diagnosis Complexity Levels).

Consultation question 4: Are there other areas of the complexity model IHPA should be investigating to ensure stability between AR-DRG versions?

The IHPA should consider working with jurisdictions to frequently monitor and enforce Australian Coding Standards using year-to-date activity data.

The IHPA should consider how to best manage the transit of atypically coded activity and cost data through the Episode Clinical Complexity Model (i.e. potentially causing instability as the atypical data enters and then exits the Episode Clinical Complexity Model).

Consultation question 5: Do you support the proposal to differentiate caesarean section types in the AR-DRG classification?

Victoria supports in principle this proposal and does not envisage any significant issues associated with creating additional DRGs to differentiate caesarean section types.

Consultation question 6: Do you support using in labour or not in labour as the measure for differentiating caesarean sections in the AR-DRG classification?

Victoria currently collects data on method of birth through the Victorian Perinatal Data Collection. In this collection, caesarean procedures are differentiated both on whether they were planned or unplanned and whether they were undertaken before or after the onset of labour. Victoria looks forward to the outcome of the IHPA's work in differentiating caesarean section types in the AR-DRG classification, in consultation with clinical stakeholders.

Consultation question 7: Do you support the proposed grouping of nephrolithiasis interventions in the AR-DRG classification for V10.0?

Victoria notes the development of Adjacent Diagnosis Related Groups to better describe nephrolithiasis interventions and the continued work the IHPA needs to do to assess and refine the complexity splits to ensure optimum resource homogeneity.

Consultation question 8: Do you support the removal of Z60 Rehabilitation on the basis that this ADRG is obsolete as a result of changes to the ACS?

Victoria supports the removal of AR-DRG Z60 Rehabilitation as it is obsolete.

Consultation question 9: Do you support reassigning living donor liver procurement episodes to ADRG H01 Pancreas, Liver and Shunt Procedures?

Victoria supports improving the clinical consistency of the AR-DRG classification by reassigning living donor liver procurement episodes to ADRG H01 Pancreas, Liver and Shunt Procedures.

Consultation question 10: Do you support reassigning episodes with osseointegration interventions of the digits and limbs to ADRG I28 Other Musculoskeletal Procedures?

Victoria supports improving the clinical coherency of the AR-DRG classification by reassigning episodes with osseointegration procedures of the digits and limbs to ADRG I28 Other Musculoskeletal Procedures.

Consultation question 11: Do you agree with the recommendations that no change be made for AR-DRG V10.0 for acute rheumatic fever, personality disorders, involuntary mental health patient episodes, alcohol and drug disorders, dental extractions and restorations, endovascular clot retrieval, transcatheter aortic valve implantation, repetitive transcranial magnetic stimulation and stereo electroencephalography?

Victoria does not agree that no change be made for AR-DRG V10.0 for Endovascular Clot Retrieval. Victoria supports that no change be made for AR-DRG V10.0 for all of the other listed diagnoses and procedures.

In Victoria, Endovascular Clot Retrieval is a rapidly growing and highly specialised service that is supported by the Department of Health and Human Services, with 333 admitted episodes reported over the period from 1 April 2017 to 31 March 2018.

To acknowledge and ensure funding equity for Endovascular Clot Retrieval services, the IHPA should consider year-to-date activity data and the 2016-17 cost data to determine whether there is sufficient volume to meet IHPA's materiality thresholds to justify a new classification for AR-DRG V10.0.

Consultation question 12: Do you foresee any system issues with the increase in characters of the AR-DRG version number with the introduction of AR-DRG V10.0?

No, Victoria does not foresee any system issues with the increase in characters of the AR-DRG version number.