



**Hospital Handbook Transmittal Letter (HHTL) No. 3352-19-06**

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**TO: All Hospital Providers  
Directors, County Departments of Job and Family Services**

**FROM: Maureen M. Corcoran, Director**

**SUBJECT: October 1, 2019 Updates for Inpatient and Outpatient Hospitals**

**Summary**

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to the adoption of the 2020 ICD-10 diagnosis and procedure code set and how the adoption of those updates impacts inpatient and outpatient reimbursement. The department has implemented the All Patient Refined – Diagnosis Related Groups (APR-DRG) version 37 to reimburse inpatient hospital claims with dates of discharge on or after October 1, 2019.

**Inpatient Hospital Updates**

The department has implemented the new 2020 ICD-10 diagnosis and procedure codes for inpatient hospital reimbursement. Obsolete diagnosis and procedure codes have been deleted. Providers are expected to use diagnosis and procedure codes that were in effect on the date of discharge.

Inpatient hospital claims with dates of discharge on or after October 1, 2019 will be processed under APR-DRG version 37. APR-DRG version 37 contains new, deleted and revised DRGs, and relative weights have been developed for the 10 new DRGs. A summary of the APR-DRG version 37 grouper changes is detailed below. A full list of DRG descriptions and relative weights are available on the Department's web site.

While few new inpatient procedure codes will require prior authorization, the department did not identify any procedure or diagnosis codes that will not be covered. The list of inpatient procedures that require prior authorization is available on the department's website.

**Outpatient Hospital Updates**

The department has implemented the new 2020 ICD-10 diagnosis codes for outpatient hospital reimbursement. Obsolete diagnosis codes have been deleted. Providers are expected to use

diagnosis codes that were in effect on the date of service. The EAPG relative weights that were effective August 1, 2017 remain in effect.

### **All Patient Refined Diagnosis Related Groups Update**

Inpatient hospital claims reimbursement is based on the 3M All Patient Refined - Diagnosis Related Groups (“APR-DRG”) grouper. The grouper is updated annually to include changes to ICD-10 codes and clinical logic to reflect the current healthcare environment and common practices. Each year, 3M revises the APR DRG grouping logic for two reasons: to accommodate changes in code sets used by the hospital industry; and to enhance the clinical precision of the APR DRG logic. APR-DRG version 37 goes into effect on October 1, 2019 to accommodate changes to the ICD-10 diagnosis and procedure codes. 3M is adding ten new DRGs, deleting six DRGs, and revising the descriptions of fifteen DRGs. These updates are being incorporated into MITS to ensure proper payment of claims in accordance with OAC 5160-2-65. The changes will be effective for claims with dates of discharge on or after October 1, 2019.

The relative weights for the new DRGs were determined using a combination of 3M’s summary of changes document and Ohio-specific relative weights from APR-DRG version 36. The average-length-of-stay (“ALOS”) for the new DRGs was also calculated in the same manner. In instances where a new DRG was developed from an existing DRG, the version 36 relative weights from the existing were applied to the new DRG. In instances where a new DRG was developed from more than one existing DRG, a new relative weight was calculated based upon the percentage of cases pulled from each of the existing APR-DRGs. For example, APR-DRG 027 was developed by using seven percent of the cases assigned to DRG 020 and eight percent of the cases assigned to DRG 021. The new relative weight was calculated by summing the totals of the weighted averages (based upon the proportional percentage of cases) multiplied against the relative weights from DRGs 020 and 021.

The list of new, deleted, and revised DRGs is included below. The relative weights and ALOS for all other DRGs remain unchanged. The full list of DRGs with their corresponding relative weights and ALOS is located on the ODM website.

#### **There are 10 new APR DRGs:**

- 027 Other open craniotomy
- 029 Percutaneous intracranial procedures
- 030 Percutaneous intra- and extracranial vascular procedures
- 178 Other heart assist systems
- 179 Defibrillator implants
- 183 Percutaneous structural cardiac procedures
- 539 Cesarean section with sterilization
- 543 Abortion with D&C, aspiration curettage or hysterotomy
- 547 Antepartum with O.R. procedure
- 548 Postpartum and post abortion diagnosis without O.R. procedure

There are 6 deleted APR DRGs:

010 Head trauma with deep coma  
544 D&C, aspiration curettage or hysterotomy for obstetric diagnoses  
545 Ectopic pregnancy procedures  
546 Other O.R. procedure for obstetric diagnoses except delivery diagnoses  
563 Preterm labor  
565 False labor

There are 15 APR DRGs with revised descriptions:

008 Autologous bone marrow transplant or T-cell immunotherapy  
020 Open craniotomy for trauma  
021 Open craniotomy except trauma  
024 Open extracranial vascular procedures  
161 Implantable heart assist systems  
174 Percutaneous cardiac intervention with AMI  
175 Percutaneous cardiac intervention without AMI  
176 Insertion, revision and replacements of pacemaker and other cardiac devices  
444 Renal dialysis access device procedures and vessel repair  
540 Cesarean section without sterilization  
542 Vaginal delivery with O.R. procedure except sterilization and/or D&C  
566 Antepartum without O.R. procedure  
722 Fever and inflammatory conditions  
817 Intentional self-harm and attempted suicide  
843 Extensive 3rd degree burns without skin graft

### **Access to Rules and Related Information**

To access ODM Fee Schedule and Rates, go to [www.medicaid.ohio.gov](http://www.medicaid.ohio.gov) > Providers > Fee Schedule and Rates > Click “I Agree” > Select “Inpatient Hospital Services” or “Outpatient Hospital Services”.

Information about the services and programs of the Department may be accessed through the Department’s main webpage: <http://www.medicaid.ohio.gov> .

- Stakeholders who want to receive notification when the Department original or final files a rule package may visit JCARR’s RuleWatch at [www.rulewatchohio.gov](http://www.rulewatchohio.gov) where an account can be created to be notified of rule actions by rule number or department.
- Stakeholders can subscribe to receive notification when a clearance or BIA is posted for public comment on the Ohio Business Gateway here: <https://www.apps.das.ohio.gov/RegReform/enotify/subscription.aspx>

Information about hospital payment policies may be accessed through the Department main web page (<http://www.medicaid.ohio.gov> > Providers > Fee Schedule and Rates >Click “I Agree”).

**Additional Information**

Questions pertaining to this letter should be addressed to:

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or

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