

APR-DRG Grouping Software Update

The Department of Health Care Services (Department) will be updating to Version 31 of the 3M All Patient Refined Diagnosis Related Group (APR-DRG) Core Grouping Software effective for inpatient admissions on or after July 1, 2014.

For a complete listing of Version 31 Relative Weights, please visit the 3M web page at [3M Support](#). Please note that the Department is using the Standard relative weight file and not the Hospital Specific Relative Value (HSRV) weight file.

Wage Area Update

The Department will adjust statewide base prices and rehabilitation rates to reflect the most current Medicare Wage Index values for DRG inpatient admissions on or after July 1, 2014.

The labor share percentage of the wage area formula will increase from 68.8% to 69.6%. Wage area formula:

$$(\text{Base Rate} \times .696 \times \text{Wage Area Index}) + (\text{Base Rate} \times .304)$$

CBSA Code	Area	FY 14 Wage Index
12540	Bakersfield-Delano	1.2477
05	California Rural	1.2477
17020	Chico	1.2477
20940	El Centro	1.2477
23420	Fresno	1.2477
25260	Hanford-Corcoran	1.2477
31084	Los Angeles-Long Beach-Glendale	1.2477
31460	Madera-Chowchilla	1.2477
32900	Merced	1.2482
33700	Modesto	1.3401
33700	Modesto, CA - reclassified hospitals	1.315
34900	Napa	1.4932
36084	Oakland-Fremont-Hayward	1.6439
36084	Oakland-Fremont-Hayward, CA - reclassified hospitals	1.6215
37100	Oxnard-Thousand Oaks-Ventura	1.3019
39820	Redding	1.439
39820	Redding, CA - reclassified hospitals	1.3913
40140	Riverside-San Bernardino-Ontario	1.2477
40900	Sacramento-Arden-Arcade-Roseville	1.4887

CBSA Code	Area	FY 14 Wage Index
41500	Salinas	1.5678
41740	San Diego-Carlsbad-San Marcos	1.2477
41884	San Francisco-San Mateo-Redwood City	1.6269
41940	San Jose-Sunnyvale-Santa Clara	1.665
41940	San Jose-Sunnyvale-Santa Clara, CA--reclassified hospitals	N/A
42020	San Luis Obispo-Paso Robles	1.2477
42044	Santa Ana-Anaheim-Irvine	1.2477
42060	Santa Barbara-Santa Maria-Goleta	1.2488
42100	Santa Cruz-Watsonville	1.7276
42100	Santa Cruz-Watsonville, CA--reclassified hospitals	N/A
42220	Santa Rosa-Petaluma	1.6337
44700	Stockton	1.3505
46700	Vallejo-Fairfield	1.5749
46700	Vallejo-Fairfield - reclassified hospitals	1.5558
47300	Visalia-Porterville	1.2477
49700	Yuba City	1.2477

Table 1 Wage Area Values