

Year 3 Medi-Cal DRG Payment Policy and Grouper Settings SFY 2015-16 (revised 5/23/16)

The purpose of this document is to provide users with the setup for the 3M™ APR-DRG desktop grouper for state fiscal year (SFY) 2015-16 (claims with admission dates on and between 7/1/15 through 6/30/16). The recommended settings shown in this document correspond to the settings used within the California Medicaid Management System (CAMMIS) mainframe grouper, which pays Medi-Cal DRG claims. The claims system was upgraded 4/25/16, and this revised Grouper Settings document reflects those updates.

Some important points to consider specific to SFY 2015-16 are:

- Medi-Cal policy for each SFY is applied based upon the admission date of the claim. However, SFY 2015-16 must take into account the implementation of ICD-10-CM/PCS codes for claims beginning 10/1/15 based upon discharge date. The grouper settings must still be “**keyed by**” admission date as seen in the Figures below.
- Effective April 25, 2016, these settings are used for claims with admission dates during SFY 2015-16 (7/1/15-6/30/16). Figures 1 and 2 below depict the two grouper options for Scenarios A, B, and C, based on admission and discharge date, which should not be confused with the “**keyed by**” setting. The grouper options are more complicated in SFY 2015-16 due to ICD-10 implementation.
- For claims processed on or after 4/25/16, these settings will vary in this document based on the claim admission and discharge dates:
 - **HAC version:** V.32 HAC for ICD-9 is used for ICD-9 coded claims from Years 1, 2 and 3 of DRG payment; V.33 HAC ICD-10 is used for ICD-10 coded claims from Year 3 of DRGs.
 - **Entered code mapping:** Each July 1, the newest version of the APR-DRG grouper is implemented (V.32 7/1/15), which requires the setting for *no code mapping* for admissions between 7/1/15-9/30/15. For **discharges after 10/1/15**, mapping is required due to ICD-10 implementation, even if the admission is prior to 10/1/15. In this case, choose *V.33 for ICD-10 claims*. As usual, mapping is required for admissions on and after 10/1/15. Discharge date affects the settings for mapping, but it does not affect “**keyed by**” setting, which should always be “**keyed by**” admit date under Medi-Cal policy.
 - **Mapping type:** Choose *none* or *historical* based on admission and discharge dates. For SFY 2015-16, any claim with a discharge date on or after 10/1/15 will require *historical* mapping. (This differs from other fiscal years in which admissions beginning October 1 require historical mapping in that SFY.) In Table 1, note that Option 2 has the same settings for two scenarios due to ICD-10 implementation during SFY 2015-16. Scenario B impacts the historical mapping earlier in SFY 2015-16 due to ICD-10 implementation unlike any other SFY for DRG payment. Please see Figures 1 and 2 for the applicable screenshots.
 - **Grouper ICD version qualifier (in grouper settings) and ICD version indicator (on claim record):** ICD-9-CM/PCS codes were in effect during this SFY; therefore, the “**ICD version indicator**” should be set to “9” on the claim record (not depicted in screenshots below) and “**Grouper ICD version qualifier**” should be set to “**ICD-9**” in the grouper settings (shown in Figure 1) for claims with dates of discharge prior to 10/1/15. Claims are required to be coded using ICD-10 when the date of discharge is on or after 10/1/2015. For these claims, the “**ICD version indicator**” should be set to “0” on the claim record and “**Grouper ICD version qualifier**” should be set to “**ICD-10**” (Figure 2). Discharge date determines this setting as the requirement to code using ICD-10 is determined by discharge date according to federal regulation.
- The ICD-10 implementation may also have an impact on some claims for exceptionally long stays with an admission date in an earlier policy year such as Year 2 (SFY 2014-15). For example, if a stay has an admission date prior to 7/1/15 and a discharge date after 10/1/15, this would qualify as an ICD-10 claim with Year 2 policy. See the revised Year 2 Medi-Cal Payment Policy and Grouper Settings SFY 2014-15 document for details on how to properly apply grouper settings to these claims.

Table 1

Year 3 SFY 2015-16 Medi-Cal DRG Claims Grouper Setting Options (Revised 5/23/16)

| Scenario | Option | Admit Date | Discharge Date | Mapping | ICD Version | Comments |
|----------|--------|------------------------------|------------------------------|---------------------|-------------|--|
| A | 1 | On or between 7/1/15-9/30/15 | On or between 7/1/15-9/30/15 | No mapping required | ICD-9 (9) | ICD-9 coding and V.32 current version of grouper requires no mapping. |
| B | 2 | On or between 7/1/15-9/30/15 | On or after 10/1/15 | Historical mapping | ICD-10 (0) | As of 4/25/16, ICD-10 codes are mapped to ICD-10 codes using V.33 of the mapper. |
| C | 2 | On or after 10/1/15 | On or after 10/1/15 | Historical mapping | ICD-10 (0) | As of 4/25/16, ICD-10 codes are mapped to ICD-10 codes using V.33 of the mapper. |

Notes:

1. In the Grouper ICD version qualifier field in the grouper settings, select ICD-9 for ICD-9 claims and ICD-10 for ICD-10 claims. In the claim record, the ICD indicator of "9" is used for ICD-9 claims while "0" is used for ICD-10 claims.
2. In all other SFYs, the admission date dictates the need for historical mapping. Due to ICD-10 implementation during SFY 2015-16, on 10/1/15, the historical mapping setting must occur based on discharge date.
3. In order for new diagnoses and procedures to be included in the DRG assignment, the updated APR-DRG Mapper must be implemented. Though the new mapper must be used in the desktop APR-DRG version settings each October 1, this will not match the mainframe CAMMIS claims system if the mapper in the mainframe has not been updated. (The mainframe has been programmed to extend the end date on the mapper allowing for more time, if needed, for the upgrade.)
4. V.33 of the APR-DRG Mapper was implemented 4/25/16. This means that for claims processed on or after 4/25/16, DRGs were assigned using ICD-10 codes on the claim and the upgraded APR-DRG V.33 Mapper. ICD-10 coded claims from 10/1/15 through 4/24/16, had DRGs assigned based on mapping from ICD-10 codes to ICD-9 codes.
5. Claims with an admission date of 7/1/14 through 6/30/15 and a discharge date on or after 10/1/15 should be coded in ICD-10 and the settings for this situation are addressed in the Year 2 Grouper Settings document.

Figure 1 Option 1 (Scenario A):

Year 3 CA DRGs SFY 2015-16 Admit and Discharge Date on or after 7/1/15 and before 10/1/15 (ICD-9 claims)

| | | | | |
|---------------------------------|--|------------|---|--|
| User key1: | <input type="text" value="Y3"/> | User key2: | <input type="text"/> | <input type="button" value="What's This?"/> <input type="button" value="Print"/> <input type="button" value="Clear"/> <input type="button" value="Cancel"/> <input type="button" value="Save"/> <input type="button" value="Save as..."/> |
| Begin date: | <input type="text" value="07/01/2015"/> | End date: | <input type="text" value="09/30/2015"/> | |
| Description: | <input type="text" value="Year3"/> | | | |
| Modified date: | <input type="text" value="03/18/2016"/> | | | |
| | | | | |
| Groupers version: | <input type="text" value="APR DRG Grouper version 32.0 (10/01/2014)"/> | | | |
| Groupers ICD version qualifier: | <input type="text" value="ICD-9"/> | | | |
| PPC version: | <input type="text" value="None"/> | | | |
| HAC version: | <input type="text" value="HAC Version 32.0 for California Medicaid (10/01/2014)"/> | | | |
| Payer Logic Indicator: | <input type="text" value="None (Standard 3M APR DRG)"/> | | | |
| Birth weight option: | <input type="text" value="Coded weight with default"/> | | | |
| Discharge DRG option: | <input type="text" value="Compute excluding only non-POA Complication of Care codes"/> | | | |
| Keyed by: | <input type="text" value="Admit date"/> | | | |
| Entered code mapping: | <input type="text" value="None"/> | | | |
| Mapping type: | <input type="text"/> | | | |

Figure 2 Option 2 (Scenarios B & C)

Year 3 CA DRGs SFY 2015-16 Admit Date on or after 7/1/15 and Discharge Date on or after 10/1/15 (ICD-10 claims)

| | | | | |
|---------------------------------|--|------------|---|--|
| User key1: | <input type="text" value="Y3A"/> | User key2: | <input type="text"/> | <input type="button" value="What's This?"/> <input type="button" value="Print"/> <input type="button" value="Clear"/> <input type="button" value="Cancel"/> <input type="button" value="Save"/> <input type="button" value="Save as..."/> |
| Begin date: | <input type="text" value="07/01/2015"/> | End date: | <input type="text" value="06/30/2016"/> | |
| Description: | <input type="text" value="Year3A"/> | | | |
| Modified date: | <input type="text" value="05/22/2016"/> | | | |
| | | | | |
| Groupers version: | <input type="text" value="APR DRG Grouper version 32.0 (10/01/2014)"/> | | | |
| Groupers ICD version qualifier: | <input type="text" value="ICD-10"/> | | | |
| PPC version: | <input type="text" value="None"/> | | | |
| HAC version: | <input type="text" value="HAC Version 33.0 for California Medicaid (10/01/2015)"/> | | | |
| Payer Logic Indicator: | <input type="text" value="None (Standard 3M APR DRG)"/> | | | |
| Birth weight option: | <input type="text" value="Coded weight with default"/> | | | |
| Discharge DRG option: | <input type="text" value="Compute excluding only non-POA Complication of Care codes"/> | | | |
| Keyed by: | <input type="text" value="Admit date"/> | | | |
| Entered code mapping: | <input type="text" value="ICD-10-CM/PCS Version 33.0 effective 10/01/2015"/> | | | |
| Mapping type: | <input type="text" value="Historical"/> | | | |

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Below are the Grouper Setting instructions prior to April 25, 2016, which is no longer valid since the upgrade to the CAMMIS system was done on April 25, 2016. This is contained below only for historical documentation purposes.

Year 3 Medi-Cal DRG Payment Policy and Grouper Settings SFY 15/16

The purpose of this document is to provide users with the setup for the 3M APR-DRG desktop grouper for state fiscal year (SFY) 15/16 (claims with admission dates on and between 7/1/15 through 6/30/16). The recommended settings shown in this document correspond to the settings used within the California Medicaid Management System (CAMMIS) Mainframe grouper which pays Medi-Cal DRG claims.

Some basic principles that frame this document are:

- Medi-Cal policy for each SFY is applied based upon the admission date of the claim.
- SFY 15/16 must take into account the implementation of ICD-10 CM/PCS codes for claims beginning 10/1/15.
- Each July 1st the newest version of the APR-DRG grouper is implemented (V.32 July 1, 2015) which requires the setting for no code mapping for admission between 7/1-9/30/15 in the **Entered Code Mapping field. For discharges after 10/1/15 mapping is required due to ICD-10 implementation, even if the admission is prior to 10/1/15. As usual, admissions on and after 10/1/15, mapping is required. Therefore, for SFY 15/16 any claim with a discharge date on or after 10/1/15 will require historical mapping.** (This differs from other fiscal years in which only admissions beginning 10/1 require historical mapping in that SFY.) In Figure 1 Note that Option 2 has the same setting for two scenarios due to ICD-10 implementation during SFY 15/16. Scenario B impacts the historical mapping sooner in SFY 15/16 due to ICD-10 implementation than in any other SFY for DRG payment.

| Figure 1 Year 3 SFY 15/16 Medi-Cal DRG Claims Grouper Setting Options | | | | | | |
|--|--------|---------------------|---------------------------|---------------------|---------------|---|
| Scenario | Option | Admit Date | Discharge Date | Mapping | ICD Indicator | Comments |
| A | 1 | On or after 7/1/15 | On or between 7/1-9/30/15 | No mapping required | 9 | ICD-9 coding and V.32 current version of grouper requires no mapping. |
| B | 2 | On or after 7/1/15 | On or after 10/1/15 | Historical mapping | 0 | ICD-10 must be mapped to ICD-9 based on discharge date of the claim. This scenario is only meaningful in SFY 15/16. |
| C | 2 | On or after 10/1/15 | On or after 10/1/15 | Historical mapping | 0 | ICD-10 to ICD-9 mapping as well as mapping due to October 1 version change to V.33. |

Notes:

1. The ICD indicator of "9" is used for ICD-9 claims while "0" is used for ICD-10 claims.
2. In all other SFYs, the admission date dictates the need for historical mapping. Due to ICD-10 implementation during SFY 15/16 on October 1, 2015, historical mapping setting must occur based on discharge date.

These settings are used and will not change for claims with admission dates during SFY 15/16 (7/1/15-6/30/16):

Grouper version: APR DRG Grouper version 32.0 (10/1/2014)

PPC version: n/a

HAC version: HAC version 30.0 for Medicaid (10/1/2012)

Payer Logic indicator: (None)

Birth weight option: Coded weight with default

Discharge DRG option: Compute excluding only non-POA Complication of Care codes

Key by: admit date (DRG claims for Medi-Cal are based on admission date to apply annual payment policy based on SFY). All schedules key on admit date which means "**Key by**" should always be set to "admit date."

These settings will vary in this document based on the claim admission and discharge dates.

Entered code mapping:

Mapping type:

ICD version indicator (located on claim record):

Figures 1 and 2 follow depicting the two options for Scenarios A, B, & C.

Figure 1 Option 1 (Scenario A):

Year 3 CA DRGs SFY 15/16 Admit and Discharge Date on or after 7/1/15 and before 10/1/15 (ICD-9)

| | | | | |
|------------------------|---|------------|------------|--|
| User key1: | Example 1 | User key2: | | What's This? Print Clear Cancel Save Save as... |
| Begin date: | 07/01/2015 | End date: | 09/30/2015 | |
| Description: | SFY 15/16 Adm/Dschg between 7/1/15 and 9/30/15 | | | |
| Modified date: | 11/19/2015 | | | |
| Grouper version: | APR DRG Grouper version 32.0 (10/01/2014) | | | |
| PPC version: | None | | | |
| HAC version: | HAC Version 30.0 for Medicaid (10/01/2012) | | | |
| Payer Logic Indicator: | None (Standard 3M APR DRG) | | | |
| Birth weight option: | Coded weight with default | | | |
| Discharge DRG option: | Compute excluding only non-POA Complication of Care codes | | | |
| Keyed by: | Admit date | | | |
| Entered code mapping: | None | | | |
| Mapping type: | | | | |

These settings will vary in this document based on the claim admission and discharge dates. Other settings do not change and are as specified at the beginning of this document.

Entered code mapping: none

Mapping type: n/a

ICD version indicator (located on claim record):9

- SFY 15/16 Year 3- claims with admission dates on or after 7/1/15 through 6/30/16
- Use these settings when both the admit date and discharge dates on the claim are on or after 7/1/15 and before 10/1/2015
- Since V.32 of the grouper is used, code mapping is not required. Additionally, since this claim is coded in ICD-9, no mapping is required and the **“Entered code mapping”** is set to “none” and **“Mapping type”** is blank.
- ICD-9-CM/PCS codes in effect during this timeframe; therefore, the **“ICD version indicator”** should be set to “9” on the claim record (not depicted in screenshot above). Discharge date determines this setting as the requirement to code using ICD-10 is determined by discharge date according to Federal regulation.

Figure 2 Option 2 (Scenarios B & C):

Year 3 CA DRGs SFY 15/16 Discharge Date on or after 10/1/15 (ICD-10)

| | | | | |
|------------------------|--|------------|---|--|
| User key1: | <input type="text" value="Example 2"/> | User key2: | <input type="text"/> | <input type="button" value="What's This?"/> <input type="button" value="Print"/> <input type="button" value="Clear"/> <input type="button" value="Cancel"/> <input type="button" value="Save"/> <input type="button" value="Save as..."/> |
| Begin date: | <input type="text" value="07/01/2015"/> | End date: | <input type="text" value="06/30/2016"/> | |
| Description: | <input type="text" value="SFY 15/16 Dschg date on or after 10/01/2015"/> | | | |
| Modified date: | <input type="text"/> | | | |
| | | | | |
| Grouper version: | <input type="text" value="APR DRG Grouper version 32.0 (10/01/2014)"/> | | | |
| PPC version: | <input type="text" value="None"/> | | | |
| HAC version: | <input type="text" value="HAC Version 30.0 for Medicaid (10/01/2012)"/> | | | |
| Payer Logic Indicator: | <input type="text" value="None (Standard 3M APR DRG)"/> | | | |
| Birth weight option: | <input type="text" value="Coded weight with default"/> | | | |
| Discharge DRG option: | <input type="text" value="Compute excluding only non-POA Complication of Care codes"/> | | | |
| Keyed by: | <input type="text" value="Admit date"/> | | | |
| Entered code mapping: | <input type="text" value="ICD-10-CM/PCS Version 33.0 effective 10/01/2015"/> | | | |
| Mapping type: | <input type="text" value="Historical"/> | | | |

These settings will vary in this document based on the claim admission and discharge dates. Other settings do not change and are as specified at the beginning of this document.

Entered code mapping: ICD-10 CM/PCS Version 33.0 effective 10/1/2015

Mapping type: Historical

On claim record- ICD version indicator: 0

- SFY 15/16 Year 3- claims with admission dates on or after 7/1/15 through 6/30/16 and the discharge date is on or after 10/1/2015. For example, a hospital stay with admission date of 9/25/2015 and discharge date of 10/5/2015.
- Claims are required to be coded using ICD-10 when the date of discharge is on or after 10/1/2015; therefore the "ICD version indicator" should be set to "0" on the claim record. (Not depicted in screenshot above.)
- "Entered code mapping" is used to map ICD-10 codes to ICD-9; select "ICD-10 CM/PCS Version 33.0 effective 10/1/2015" and Mapping Type is set to "Historical."

Currently, DHCS is evaluating the version 33 APR-DRG grouper and mapper solution developed by 3M. Our goal is to install the product into the California Medicaid Management Information System (CAMMIS) at a date that is yet to be determined. As is customary with any new product version release, our team must evaluate and test the product before installation. DHCS will continue to use version 32 of the APR-DRG algorithm and mapper on and after October 1, 2015 and until the update to version 33 of the grouper and mapper occurs. Currently, version 32 of the mapper will not recognize approximately fifty (50) new ICD-10 PCS (surgical) codes effective October 1, 2015. Please continue to monitor the DHCS DRG website for provider bulletins.

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