

HOSPITAL STAKEHOLDER ENGAGEMENT MEETING

Friday, November 3, 2023
9:00 AM - 11:00 AM

Location: Online Only

All Hospital Zoom Meeting: Dial Toll-free 1-877-853-5257 / Meeting ID: 870 4490 0719 /
Passcode: 245046

Topic Suggestions, due by close of business two weeks prior to the meeting. Send suggestions to Tyler.Samora@state.co.us.

Welcome & Introductions

- **Thank you for participating today!**
- We are counting on your participation to make these meetings successful



About this Meeting

- We will be recording this meeting.
- Please speak clearly when asking a question and give your name and hospital
- A recording of this meeting will be posted to the [Hospital Engagement Meeting website](#) for later viewing.
- **Hospital Generated Topics:** Please contact Tyler Samora at Tyler.Samora@state.co.us with requests to cover questions or topics in future hospital engagement meetings. Topics requested fewer than 2 weeks before the next meeting may need to be pushed to future meetings depending on availability of personnel with knowledge of those topics.

Thank you for your cooperation

Dates and Times for 2023

General Hospital Stakeholder Engagement Meetings

Dates of Meetings	Meeting Time
January 13, 2023	1:00pm-3:00pm
March 3, 2023	9:00am-11:00am
May 5, 2023	9:00am-11:00am
June 2, 2023	9:00am-11:00am
July 7, 2023	9:00am-11:00am
September 8, 2023	1:00pm-3:00pm
November 3, 2023	9:00am-11:00am
December 15, 2023	9:00am-11:00am

The agenda for upcoming meetings will be available on our external website on a Monday the week of the meeting.
<https://www.colorado.gov/pacific/hcpf/hospital-engagement-meetings>

Please note the offset dates and times to work around holidays AND Medical Services Board

Dates and Times for 2024

General Hospital Stakeholder Engagement Meetings

Dates of Meetings	Meeting Time
January 12, 2024	1:00pm-3:00pm
March 1, 2024	9:00am-11:00am
May 3, 2024	9:00am-11:00am
July 12, 2024	1:00pm-3:00pm
September 6, 2024	9:00am-11:00am
November 1, 2024	9:00am-11:00am



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AGENDA

November 2023 Hospital Stakeholder Engagement Meeting Topics

Provider Revalidation Information

FY 23-24 Inpatient Hospital Base Rates Update

APR-DRG Version 40 Introduction

EAPG Module Update

Out of State (OOS) Peer Group Averages

EAPG Base Rate Reform

Specialty Drug Carveout Modifications

Opioid Antagonist Carveout

Provider Revalidation Information

- All Health First Colorado and Child Health Plan *Plus* (CHP+) providers must revalidate in the program at least every five (5) years to continue as a provider.
- **Providers who do not complete the revalidation process by their revalidation due date will be subject to claim denials and disenrollment.**
- A spreadsheet with providers' revalidation dates can be found on the Department's Revalidation web page.
- Each provider will be notified via email six (6) months in advance of their revalidation deadline. The deadline is based on the date the enrollment application was approved.

Revalidation Resources

- [Provider Revalidation Manual](#)
- [Revalidation/NPI Law Fact Sheet](#)
- [Revalidation Quick Guide](#)
- [Provider Revalidation Dates Spreadsheet](#) (updated 10/02/2023)
- [Revalidation Information by Provider Type](#)
- [Revalidation Information for HCBS Providers](#)

Revalidation Newsletters

- [Provider News & Resources - Revalidation Special Newsletter - 09-29-2023](#)

FY 23-24 Inpatient Base Rates

- CMS notified the Department that it has extended the review of the Inpatient FY23-24 Rates by issuing a Request for Additional Information. This can extend the review for up to an additional 90 days.
- The Department initially sent Transmittal CO-23-0003 to Centers for Medicare & Medicaid Services (CMS) for rate approval on August 1, 2023. We will keep all hospitals up to date on when the rates are approved, and when we will be re-pricing all claims with last service date of 7/1/2023 and forward.
 - When approved, hospitals can download the CMS approval letter and get the date when the transmittal is approved by going to the CMS website and search by the transmittal CO-23-0003.
<https://www.medicaid.gov/medicaid/medicaid-state-plan-amendments/index.html>

Extra Dec 15th Ver 40 APR-DRG Meeting

- Today, the Department will introduce 3M's Version 40 APR-DRG Update.
- The Department will be scheduling an extra meeting on Friday, December 15th at 9-11am to review fiscal impacts and provide hospitals the new Ver 40 HSRV Weight Table for review.
- To be informed on these meetings, please sign up for [Hospital Engagement Meeting newsletters](#)

Version 40 APR-DRG HSRV File

- The Department has been planning to move to the 3M Hospital Specific Relative Value (HSRV) Weight Table instead of the "standard" APR-DRG weight table for many years now.
 - Part of the reason for the move is that the Department used to use Colorado claims data to create as many weights as possible and had to fill in any missing/under-represented DRG-SOI combinations with recalibrated national weights.
 - The mixing of the two methods created situations where the weights, when blended, were a bit choppy and required further adjustment to smooth out and make sense.
 - Additionally, the administrative burden associated with building Colorado specific weights does not align itself with our new update schedule to every other year to keep up with advances in medicine.
 - Another very compelling reason is that 3M strongly encourages the use of the HSRV weight table over the standard.

Version 40 APR-DRG HSRV File

What is HSRV?

- 3M calculates two sets of national weights, “standard” and “hospital-specific relative values” (HSRV).
 - The standard weights reflect hospital charges as a measure of resource use for each APR DRG relative to the average inpatient stay.
 - The HSRV weights include adjustments to reduce the effect on weights of the differences among hospitals in how they set charges.
- On balance, 3M recommends HSRV weights as the more accurate reflection of true differences in relative resource allocation across APR DRGs at the national level.

Version 40 APR-DRG HSRV File

Trim Point Differences:

- There are also differences on how the trim point is calculated compared to our old method. In the past, the Department set the trim point at 2.58 standard deviations above the average length of stay.
- The HSRV file calculates the high trim point for length of stay (LOS) to affect ~2% of claims on average.
 - For reference, FY22-23 claims processed using current Ver 33 is paying outliers on ~2.4% of claims.
- This change should result in fewer claims with outlier payments.

Overview of Changes from APR-DRG Version 33 to Version 40

- In addition to methodological changes, there will be significant differences in APR-DRGs in Ver 40 (released Oct 2022) compared to Ver 33 (released Oct 2015) due to 7 years' worth of advances in medicine.
- At a high level, Ver 40 introduced 39 new DRGs from Ver 33 and introducing more granularity to certain DRG groupings.
 - With this new granularity, *payments will look very different*. Weights (and therefore payments) reflect a new hospital resource allocation which comes with identifying more newly developed technologies/methods of service delivery such as DRG 011: CHIMERIC ANTIGEN RECEPTOR (CAR) T-CELL AND OTHER IMMUNOTHERAPIES and other formerly non-specific DRGs grouping to much more specific DRGs.
 - There will also be changes in weight (*payment*) due to reduction in the relative resource allocation for certain DRGs. So, to reiterate, the whole system has been adjusted to better define resource allocation in today's hospitals.

Overview of Changes from APR-DRG Version 33 to Version 40

➤ There are a net 39 new DRGs in V40 compared to V33.

V40_DRG	V40_DRGDESC	V40_DRG	V40_DRGDESC
7	ALLOGENEIC BONE MARROW TRANSPLANT	323	NON-ELECTIVE OR COMPLEX HIP JOINT REPLACEMENT
8	AUTOLOGOUS BONE MARROW TRANSPLANT	324	ELECTIVE HIP JOINT REPLACEMENT
9	EXTRACORPOREAL MEMBRANE OXYGENATION (ECMO)	325	NON-ELECTIVE OR COMPLEX KNEE JOINT REPLACEMENT
11	CHIMERIC ANTIGEN RECEPTOR (CAR) T-CELL AND OTHER IMMUNOTHERAPIES	326	ELECTIVE KNEE JOINT REPLACEMENT
27	OTHER OPEN CRANIOTOMY	426	NON-HYPOVOLEMIC SODIUM DISORDERS
29	OTHER PERCUTANEOUS INTRACRANIAL PROCEDURES	427	THYROID DISORDERS
30	PERCUTANEOUS INTRACRANIAL AND EXTRACRANIAL VASCULAR PROCEDURES	469	ACUTE KIDNEY INJURY
59	ANOXIC AND OTHER SEVERE BRAIN DAMAGE	470	CHRONIC KIDNEY DISEASE
145	ACUTE BRONCHITIS AND RELATED SYMPTOMS	539	CESAREAN SECTION WITH STERILIZATION
178	EXTERNAL HEART ASSIST SYSTEMS	543	ABORTION WITH D&C, ASPIRATION CURETTAGE OR HYSTEROTOMY
179	DEFIBRILLATOR IMPLANTS	547	ANTEPARTUM WITH O.R. PROCEDURE
181	LOWER EXTREMITY ARTERIAL PROCEDURES	548	POSTPARTUM AND POST ABORTION DIAGNOSIS WITH O.R. PROCEDURE
182	OTHER PERIPHERAL VASCULAR AND RELATED PROCEDURES	695	CHEMOTHERAPY FOR ACUTE LEUKEMIA
183	PERCUTANEOUS STRUCTURAL CARDIAC PROCEDURES	696	OTHER CHEMOTHERAPY
230	MAJOR SMALL BOWEL PROCEDURES	792	EXTENSIVE O.R. PROCEDURES FOR OTHER COMPLICATIONS OF TREATMENT
231	MAJOR LARGE BOWEL PROCEDURES	793	MODERATELY EXTENSIVE O.R. PROCEDURES FOR OTHER COMPLICATIONS OF TREATMENT
232	GASTRIC FUNDOPLICATION	794	NON-EXTENSIVE O.R. PROCEDURES FOR OTHER COMPLICATIONS OF TREATMENT
233	APPENDECTOMY WITH COMPLEX PRINCIPAL DIAGNOSIS	810	HEMORRHAGE OR HEMATOMA DUE TO COMPLICATION
234	APPENDECTOMY WITHOUT COMPLEX PRINCIPAL DIAGNOSIS	817	INTENTIONAL SELF-HARM AND ATTEMPTED SUICIDE
322	SHOULDER AND ELBOW JOINT REPLACEMENT		

Overview of Changes from APR-DRG Version 33 to Version 40

Example of more specificity in Ver 40 DRG grouping:

- CY2022 claims were regrouped into Version 40 DRGs and found generic DRGs like 950, 951 & 952 are now grouping to more specific DRGs in Ver 40.

V33_DRG	V33_DRGDESC	CY 2022 Claims now grouping to specific DRGs in Ver 40
950	EXTENSIVE PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	72
951	MODERATELY EXTENSIVE PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	105
952	NONEXTENSIVE PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	43

Overview of Changes from APR-DRG Version 33 to Version 40

➤ Here’s just a small example of Ver 33 “DRG 950: Extensive procedure unrelated to principal diagnosis” now grouping to specific Ver 40 DRGs.

V40_DRG	V40_DRGDESC	V33_DRG	V33_DRGDESC
26	OTHER NERVOUS SYSTEM AND RELATED PROCEDURES	950	Extensive procedure unrelated to principal diagnosis
41	NERVOUS SYSTEM MALIGNANCY	950	Extensive procedure unrelated to principal diagnosis
43	MULTIPLE SCLEROSIS, OTHER DEMYELINATING DISEASE AND INFLAMMATORY NEUROPATHIES	950	Extensive procedure unrelated to principal diagnosis
44	INTRACRANIAL HEMORRHAGE	950	Extensive procedure unrelated to principal diagnosis
50	NON-BACTERIAL INFECTIONS OF NERVOUS SYSTEM EXCEPT VIRAL MENINGITIS	950	Extensive procedure unrelated to principal diagnosis
52	ALTERATION IN CONSCIOUSNESS	950	Extensive procedure unrelated to principal diagnosis
53	SEIZURE	950	Extensive procedure unrelated to principal diagnosis
55	HEAD TRAUMA WITH COMA > 1 HOUR OR HEMORRHAGE	950	Extensive procedure unrelated to principal diagnosis
58	OTHER DISORDERS OF NERVOUS SYSTEM	950	Extensive procedure unrelated to principal diagnosis
82	EYE INFECTIONS AND OTHER EYE DISORDERS	950	Extensive procedure unrelated to principal diagnosis
121	OTHER RESPIRATORY AND CHEST PROCEDURES	950	Extensive procedure unrelated to principal diagnosis
130	RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPORT > 96 HOURS	950	Extensive procedure unrelated to principal diagnosis
131	CYSTIC FIBROSIS - PULMONARY DISEASE	950	Extensive procedure unrelated to principal diagnosis
133	RESPIRATORY FAILURE	950	Extensive procedure unrelated to principal diagnosis
134	PULMONARY EMBOLISM	950	Extensive procedure unrelated to principal diagnosis
137	MAJOR RESPIRATORY INFECTIONS AND INFLAMMATIONS	950	Extensive procedure unrelated to principal diagnosis
138	BRONCHIOLITIS AND RSV PNEUMONIA	950	Extensive procedure unrelated to principal diagnosis
143	OTHER RESPIRATORY DIAGNOSES EXCEPT SIGNS, SYMPTOMS AND MISCELLANEOUS DIAGNOSES	950	Extensive procedure unrelated to principal diagnosis
220	MAJOR STOMACH, ESOPHAGEAL AND DUODENAL PROCEDURES	950	Extensive procedure unrelated to principal diagnosis
230	MAJOR SMALL BOWEL PROCEDURES	950	Extensive procedure unrelated to principal diagnosis
240	DIGESTIVE MALIGNANCY	950	Extensive procedure unrelated to principal diagnosis
241	PEPTIC ULCER AND GASTRITIS	950	Extensive procedure unrelated to principal diagnosis

Overview of Changes from APR-DRG Version 33 to Version 40

- We are currently in the process of setting final weights for Ver 40 in the December 15, 2023, meeting.
- Next month's meeting will review fiscal impacts and introduce the new Ver 40 HSRV Weight Table for Colorado.
- Please know that the July 1, 2023, Hospital Specific Inpatient Base Rates will NOT be adjusted due to this APR-DRG version update but may be adjusted next fiscal year due to changes in legislative appropriations.

EAPG Module Update

- 3M released Service Pack Version 2023.3.1 on 10/12/2023
- Installed within interChange the week of 10/19/2023
- Applied the removal of the 48-hour cap on Observations
 - Effective October 30, 2023 payment to observations with greater than 48 units/hours
- [IP/OP Billing manual](#)

OOS Peer Group Averages

- Noticed a calculation error of the Peer Group Averages on the September 1, 2022 rate posting
- Transmittal to correct these rates along with reprocess the claims affected was submitted in October
 - Expected to finish by mid-November
- ONLY impacts rates for Out of State hospitals

EAPG Base Rate Reform

- In previous meetings, we have described the motivation for needing to work on a new payment modeling
- No new updates
- Any new developments will be discussed in future meetings

Specialty Drug Carveout Modifications

- The Department will be seeking State Plan Amendments relating to specialty drug carveouts
 - Effective January 1, 2024:
 - Inpatient specialty drug DRG carveout allowing for reimbursement of drugs up to 97%-100% of invoiced cost
 - Outpatient specialty drug carveout reimbursement increase up to 97-100% of invoiced cost
 - Planned Emergency Rule to Medical Services Board in December for related update to Code of Colorado Regulations
 - Updated billing guidance to come

Opioid Antagonist Carveout

- The Department is revising its billing manual to accommodate Naloxone carveout guidance in both inpatient and outpatient settings
- Due to routine maintenance of web site platform, updates can be made 11/6 at soonest

Questions, Comments, & Solutions



Thank You!

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