

Inpatient/Outpatient Hospital Specialty Training

Health First Colorado
(Colorado's Medicaid Program)

Training Overview

APR-DRG

Pricing

Resources

APR-DRG

Inpatient hospital services claims with discharge date on or after October 1, 2015	Reimbursed using All-Patient Refined (APR-DRG) grouper version 33.0
Discharge Date	Grouper
October 1, 2015 - Current	APR- DRG Version 33
January 1, 2014 - September 30, 2015	APR- DRG Version 32
October 1, 2006 - December 31, 2013	Version 24.0 + annual crosswalks
October 1, 2005 - September 30, 2006	Version 23.0
October 1, 2004 - September 30, 2005	Version 22.0
October 1, 2003 - September 30, 2004	Version 21.0
October 1, 2002 - September 30, 2003	Version 20.0

APR-DRG

- **The Department updated the payment methodology to APR-DRG Version 33 as of July 1, 2016**
 - **All claims with discharge dates on or after October 1, 2015, will process payment through Version 33**
 - **The Department will reprocess claims that have already been submitted with discharge dates on or after October 1, 2015 to utilize APR-DRG Version 33**
- **The differences between APR-DRG Version 32 and 33 are minimal and will not likely impact many claims**

Inpatient Pricing

- **Transfer Payment Logic:**
 - IF Covered Days < DRG Average Length of Stay, THEN pay Per Diem * Covered Days
 - IF Covered Days \geq DRG Average Length of Stay, THEN pay DRG Base Payment
- **Per Diem Calculation:**
 - Per Diem = DRG Base Payment / DRG Average Length of Stay
- **Outlier Payment Logic:**
 - Outlier Days = Covered Days beyond DRG Trim Point
 - Outlier Payment = Outlier Days * Per Diem * 80%

Outpatient Pricing

- Before October 30, 2016 - Reimbursement for outpatient hospital services was calculated using a cost to charge ratio and cost settlements based on Medicare's audited cost report
- As of October 31, 2016 - Reimbursement is calculated using Enhanced Ambulatory Payment Grouper Systems (EAPGS)
- Meeting Recordings and Resources: <https://hcpf.colorado.gov/outpatient-hospital-payment>

Payments for outpatient services are based on the following formula:
EAPG Adjusted Weight * Hospital Medicaid Outpatient Base Rate

Due to EAPG pricing mechanisms (Discounting, Packaging, Consolidation), items will not always pay based on the EAPG weight schedule posted to the [Outpatient Hospital Payment page](#). The payment formula utilizes the adjusted weight rather than the posted EAPG weights.

Resources

Provider Contacts Web Page

<https://hcpf.colorado.gov/provider-help>

- Provider Services Call Center

Training Web Page

<https://hcpf.colorado.gov/provider-training>

Billing Manuals Web Page

<https://hcpf.colorado.gov/billing-manuals>

- [Nursing Facility Billing Manual](#)
- Appendix R (for a detailed list of Explanation of Benefits (EOB) codes)
- General Provider Billing Manual

Resources

Quick Guides web page

<https://hcpf.colorado.gov/interchange-resources>

Telemedicine during COVID-19 web page

<https://hcpf.colorado.gov/provider-telemedicine>

Thank you!