

MISSISSIPPI DIVISION OF
MEDICAID**Delivered via E-mail**

May 19, 2023

Dear Hospital Administrators and CFOs,

The Mississippi Division of Medicaid (DOM) reviews APR-DRG policy and payment factors annually with the goal of strategically aligning the inpatient hospital methodology for long-term sustainability. This year's annual review has resulted in the updates listed below. The APR-DRG updates are subject to CMS approval through the State Plan Amendment process. Upon approval from CMS, these updates will take effect July 1, 2023. DOM estimates the overall impact of these changes will be a savings of \$137,954 in state and federal funds. This will be a change of less than 0.02% of the DOM inpatient budget.

APR-DRG Changes:

- Adopt V.40 of the 3M Health Information Systems (3M HIS) APR-DRG Grouper and Hospital-Specific Relative Value (HSRV) weights
- Re-center V.40 HSRV weights to a population Case-Mix Index (CMI) of 1.0
- Base Payment – will change from \$5,350 to \$5,400
- Adult mental health policy adjustor – will change from 1.45 to 1.50
- Obstetrics policy adjustor – will change from 1.40 to 1.50
- Normal Newborn policy adjustor – will change from 1.45 to 1.55
- Neonate policy adjustor – will change from 1.40 to 1.60
- Rehab policy adjustor – will change from 2.00 to 2.10
- DRG Cost Outlier Threshold – will change from \$60,000 to \$66,000
- DRG Cost Outlier Marginal Percentage – will change from 50% to 45%

DOM will offer two hospital reimbursement policy update sessions. The sessions will demonstrate results from the previous update of the APR-DRG payment method and outline the changes for July 1, 2023. DOM strongly encourages each hospital to participate in one of the sessions.

Follow the links below to register for the hospital reimbursement policy update sessions.

- **Tuesday, May 30, 2023, 9:00 A.M. – 10:30 A.M.**
[Register](#)
- **Thursday, June 8, 2023, 2:00 P.M. – 3:30 P.M.**
[Register](#)

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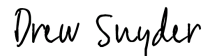
For additional information, please visit DOM's website at <https://medicaid.ms.gov/providers/reimbursement/>. The supplemental documents listed below are currently available:

- Updated DRG Pricing Calculator.
- Updated APR-DRG Billing Quick Tips.
- Updated APR-DRG 3M Grouper Settings.
- Frequently Asked Questions (FAQs).

The May/June 2023 Hospital Reimbursement Policy Updates presentation will be available for download by Tuesday, May 30, 2023. The Frequently Asked Questions (FAQs) documents will be updated upon completion of the webinars to include questions submitted by providers during the hospital reimbursement policy update sessions.

Thank you for your attention regarding this matter.

Sincerely,



Drew L. Snyder
Executive Director