TITLE: Another step forward in the Slovenian DRG System

Introduction

At the PCSI conference in Copenhagen in 2019, a project for the calculation of new DRG weights based on actual Slovenian costs (National Cost Analysis - NCA) was presented. At that time, we ended the presentation with the question/challenge, how to implement these new weights? And we are still dealing with the same challenge today.

Methods

The DRG weights calculated in 2019 on the basis of actual costs in Slovene hospitals were quite different from the old “Australian” weights we have been using since 2004, since the DRG system was introduced. The new "Slovenian" weights would represent a significant change in hospital revenues. Eg our largest hospital would lose about EUR 6 million (3% of its budget). Other hospitals, however, would gain or lose differently. Therefore, despite the planned additional funds to prevent a reduction in funding for hospitals, the partners in Slovene healthcare system did not support the implementation of new weights.

At this point, the Health Insurance Institute of Slovenia (HIIS), as the payer of hospital services, launched a new, broader project "Establishment of comprehensive management of the DRG system". The purpose of this project, in cooperation with other stakeholders, is to define, establish, test and introduce infrastructure and procedures that will enable comprehensive long-term management of the DRG system, including its development and upgrades. Namely, the DRG system needs continuous maintenance (eg clarification and supplementation of coding rules), regular updating (eg introduction of new DRG and other classifications) and recalculation of weights based on actual cost data from hospitals.

Results

The project is in the middle of implementation, so let me focus on what has already been done.

In cooperation with hospitals, we finalized the methodology for recording costs in hospitals and transmitting this data to the HIIS. The basis of the methodology was already laid at the NCA, and now we have supplemented it with additional cost categories. The goal is that hospitals record as many costs as possible directly to the individual patient. Therefore, with the representatives of 11 hospitals, their economists and analysts, we carefully reviewed the current state of recording costs in hospitals and examined the possibilities for upgrading it. We wanted the result to be the highest quality data with as little extra work as possible and uniform across all hospitals. This year, HIIS will allocate an additional EUR 2.2 million to hospitals to improve the cost recording system.

Another area in which we are systematically working more is the involvement of all stakeholders in the project to ensure their support/cooperation and acceptability of project results. We have established a project council, which consists of representatives of all stakeholders in Slovenian healthcare and supervises the project and approves project results. In addition, we meet monthly with representatives of the Ministry of Health and the Public Health Institute to regularly coordinate activities regarding the introduction of a new version of the AR-DRG system. We regularly promote the project at national conferences, and in May 2022 we will organize a

"DRG conference", the purpose of which is to unite all stakeholders on the need to modernize the DRG system.

Conclusions

We still have a lot of work to do. The project has been running since the end of 2020, in the meantime it has been somewhat slowed down by the epidemic. In addition, we decided that we should first update the version of AR-DRG, and only then collect data on costs and (re)calculate new weights. I hope that our efforts will ensure sufficient support from all stakeholders, so that this time implementation of new weights will be successful, and that we will be able to establish a system that will allow periodic repetition of these steps – hopefully I can report on this on one of the next PCSI conferences.