Summary:

The Fair Play Advantage: Navigating the DRG System with Ethical Coding for Optimal Performance – strategies to Identifying and Mitigating Gaming and Undercoding

Vesna Mesojednik, Simon Zupan, Marko Jug, Jana Wahl. University Clinical Center Ljubljana

Background:

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The implementation of an updated DRG version in a large university hospital presents challenges, including the potential for gaming and undercoding.

Addressing gaming and undercoding requires a multi-pronged approach: continuous data monitoring, strong leadership, inter-professional communication, comprehensive coder training, and knowledge sharing.

Lack of knowledge about the updated DRG systems and details of potential co-payments in a fully implemented system, as well as insufficient knowledge among coders, can lead to unintentional errors and potentially contribute to undercoding, necessitating the creation of a core coding group.

This paper highlights valuable strategies and key learnings from a benchmarking exercise as part of an ongoing, coordinated effort in a university hospital to achieve accurate coding and optimized financial performance under the updated ArDRG system.

Methods: Public data available at ZZZS (National Health Insurance Fund) were obtained to compare DRG structures by adjacent DRGs for years 2019, 2022, and 2023, excluding 2020 and 2021 due to pandemics.

DRG groups were analyzed for UKCL and benchmarked against other hospitals.

The DRGs with greater differences among UKCL and other hospitals were identified and analyzed.

Results: Analysis of benchmarking data revealed potential signs of gaming and/or undercoding.

Bolnišnica / Končnica SPP	Bolniki			Graf	Utež			Graf	Povprečna utež			Graf
	2019*	2022*	2023*		2019*	2022*	2023*		2019*	2022*	2023*	
	Delež	Delež	Delež		Delež	Delež	Delež					
UKC Ljubljana	**100,00**	**100,00**	**100,00**		**100,00**	**100,00**	**100,00**		**1,84**	**1,85**	**1,83**	
A	17,34	17,55	22,75		29,00	29,82	32,46		3,09	3,14	2,61	
B	37,79	38,70	53,58		25,60	25,37	44,91		1,25	1,21	1,53	
C	10,45	10,38	15,04		7,08	7,12	17,28		1,25	1,27	2,10	
D	4,20	3,52	0,71		2,39	1,98	0,33		1,05	1,04	0,86	
Z	30,22	29,85	7,93		35,92	35,71	5,02		2,19	2,21	1,16	

Table 1: DRG structure for University Clinical Center Ljubljana for years 2019, 2022, and 2023. A full table with data from other hospitals is going to be shown in the final paper.
Comparing 2019 (ICD10-AM v4), and 2023 (ICD-10 AM v10) in UKCL in 2023 the proportion of the structure in the group of the severe adjacent DRGs A and B increases, while the overall average cost weight decreases.

The structure of DRGs varies by type of hospital, in some cases contrary to what is expected.

Tertiary hospitals UKCL and UKCM have a roughly similar structure of difficulty.

In 2023, with the updated version an increase in the proportion of patients in the DRG group with severity A-severe (extensive) complications, B-moderate complications, and C-no complications was observed at UKCL, mainly due to the removal of some SPP groups with the Z ending.

Compared to the same period in 2022, the group A weight structure in UKCL has increased from 29.82 to 32.46, and when comparing the patient structure, from 17.55 to 22.75.

At the same time, it should be noted that in this group (A) the average cost weight per case of UKCL has decreased from 3.14 to 2.61 and consequently the average weight of all DRGs has also decreased from 1.85 in 2022 to 1.83 in 2023.

UKCM similarly has a higher proportion in difficulty A in both the patient structure (27.93) and the weight structure (33.58) compared to UKCL in the period 1-11 2023.

Both tertiary hospitals have the highest proportion of patients in difficulty B, UKCL 53.58 and UKCM 46.54.

In terms of the severity structure, some general or secondary hospitals stand out, with a higher proportion of patients in adjacent group A (i.e. the most severe patients) than in both University Medical Centers, up to 42%, and even more than 50% when looking at the weights.

With regard to the latter, we believe that there are few possible explanations for these discrepancies. As other available data suggests that UKCL and UKCM treat the most complicated patients in the country, it may be necessary to conduct an external audit as well as an internal audit at UKCL to verify the accuracy of coding and identify any potential undercoding.

Conclusion: Identifying and Mitigating Gaming and Undercoding is critical for a fair DRG play.

An initial lack of knowledge of the new system was identified as a challenge requiring a coder training initiative using online education and peer support. Leadership and engagement with different professional cultures emerge as critical factors in promoting ethical coding in hospitals. Tackling gaming and undercoding requires a multi-pronged approach with

- Ongoing monitoring and analysis of benchmarking data
- Strong leadership commitment to ethical coding practices.
- Effective communication and collaboration across professional cultures.
- Comprehensive training and support for coders on the new DRG system.
- Promoting knowledge sharing and continuous learning.

By implementing these principles, healthcare facilities can ensure accurate coding practices, promote transparency, and optimize their financial performance within the DRG system. In the end, ethical coding contributes to building trust and transparency within the healthcare system, which allows for the proper allocation of resources to support better patient care.

Summary:

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The implementation of an updated DRG version in a large university hospital presents challenges, including the potential for gaming and undercoding.

Addressing gaming and undercoding requires a multi-pronged approach: continuous data monitoring, strong leadership, inter-professional communication, comprehensive coder training and knowledge sharing.

Lack of knowledge about the updated DRG systems and details of potential co-payments in a fully implemented system, as well as insufficient knowledge among coders, can lead to unintentional errors and potentially contribute to undercoding, necessitating the creation of a core coding group.

This paper highlights valuable strategies and key learnings from a benchmarking exercise as part of an ongoing, coordinated effort in a university hospital to achieve accurate coding and optimised financial performance under the updated ArDRG system.

Methods: Public data available at ZZZS (National Health Insurance Fund) were obtained to compare DRG structures by neighbouring DRGs for the years 2019, 2022 and 2023, excluding 2020 and 2021 due to pandemics.

DRG groups were analysed for UKCL and compared with other hospitals.

DRGs with greater differences between UKCL and other hospitals were identified and analysed.

Results: Analysis of benchmarking data revealed potential evidence of gaming and/or undercoding.

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Comparing 2019 (ICD-10-AM v4) and 2023 (ICD-10-AM v10) at UKCL in 2023, the proportion of the structure in the group of severe adjacent DRGs A and B increases, while the total average cost weight decreases.

The structure of the DRGs varies by type of hospital, in some cases contrary to what might be expected.

Tertiary hospitals UKCL and UKCM have a roughly similar severity structure.

In 2023, with the updated version, an increase in the proportion of patients in the DRG group with severity A-severe (major) complications, B-moderate complications and C-no complications was observed at UKCL, mainly due to the removal of some SPP groups ending in Z.

Compared to the same period in 2022, the weight structure of group A in the UKCL has increased from 29.82 to 32.46, and when comparing the patient structure, from 17.55 to 22.75.

At the same time, it should be noted that in this group (A), the average cost weight per case of the UKCL decreases from 3.14 to 2.61, and consequently the average weight of all DRGs also decreases from 1.85 in 2022 to 1.83 in 2023.

UKCM also has a higher proportion of difficulty A in both the patient structure (27.93) and the weight structure (33.58) than UKCL in the period 1-11 2023.

Both tertiary hospitals have the highest proportion of patients in difficulty B, UKCL 53.58 and UKCM 46.54.

In terms of severity structure, some general or secondary hospitals stand out, with a higher proportion of patients in adjacent group A (i.e. the most severe patients) than in the two university medical centres, up to 42% and even more than 50% when looking at the weights.

With regard to the latter, we feel that there are some anomalies for which there are few possible reasons. As other available data show that UKCL and UKCM treat the most complex patients in the country, this could be subject to external audit as well as internal audit in UKCL to confirm the accuracy of coding and possible undercoding.

Conclusion: Identifying and mitigating gaming and undercoding is critical for a fair DRG game.

Initial lack of knowledge of the new system was identified as a challenge requiring a coder training initiative using online education and peer support. Leadership and engagement with different professional cultures emerge as critical factors in promoting ethical coding in hospitals.

Tackling gaming and undercoding requires a multi-pronged approach with

- Ongoing monitoring and analysis of benchmarking data

- Strong leadership commitment to ethical coding practices.

- Effective communication and collaboration across professional cultures.

- Comprehensive training and support for coders on the new DRG system.

- Promoting knowledge sharing and continuous learning.

By implementing these principles, healthcare organisations can ensure accurate coding practices, promote transparency and optimise their financial performance under the DRG system. Ultimately, ethical coding also helps to build trust and transparency within the healthcare system, thereby promoting the proper allocation of resources to support better patient care.

The Fair Play Advantage: Navigating the DRG System with Ethical Coding for Optimal Performance is an initiative aimed at addressing the challenges associated with implementing an updated DRG version, including the potential for undercoding and gaming. The initiative involves a multi-pronged approach that includes continuous data monitoring, strong leadership, communication across professions, comprehensive coder training, and knowledge sharing. A core coding group was created due to a lack of knowledge about the updated DRG systems and possible copayments in a fully implemented system, which can lead to unintentional errors and contribute to undercoding. This abstract highlights the strategies and key takeaways from a benchmarking exercise as part of an ongoing coordinated effort in a University Hospital to achieve accurate coding and optimized financial performance under the updated ArDRG system. The DRG structures of different hospitals were compared using public data available at ZZZS (National Health Insurance Fund). DRGs with greater differences among UKCL and other hospitals were identified and analyzed. Analysis of benchmarking data revealed potential signs of undercoding and/or gaming. In 2023, an increase in the proportion of patients in the DRG group with severity A-severe (extensive) complications, B-moderate complications, and C-no complications was observed at UKCL, mainly due to the removal of some SPP groups with the Z ending. It is crucial to address undercoding and gaming in a fair DRG play. Leadership and professional culture play a vital role in fostering ethical coding in hospitals. Addressing gaming and undercoding requires a multi-pronged approach that includes continuous monitoring and analysis of benchmarking data, strong leadership commitment to ethical coding practices, effective communication and collaboration across professional cultures, comprehensive training and support for coders on the new DRG system, and encouragement of knowledge sharing and continuous learning. By implementing these principles, healthcare facilities can ensure accurate coding practices, promote transparency, and optimize their financial performance within the DRG system. Ethical coding also contributes to building trust and transparency within the healthcare system, which fosters the proper allocation of resources to support better patient care.

Compelling Title Options with Ethics and Beyond Finances:

1. **Beyond the Payout: Why Integrity Wins in the Updated DRG System**
2. **Decoding Ethics: Combating Undercoding for Accurate Reimbursement and Improved Patient Care**
3. **Honest Play, Healthy Outcomes: Strategies for Ethical Coding in the New DRG Landscape**
4. **Investing in Transparency: How Accurate DRG Coding Fuels Trust, Resource Allocation, and Better Care**
5. **The Fair Play Advantage: Navigating the DRG System with Ethical Coding for Optimal Performance**

These titles emphasize the ethical aspect of accurate coding and go beyond solely focusing on financial gains. They also touch upon the benefits of ethical coding for patient care and resource allocation.

Additional Points:

- Briefly state in the abstract that accurate coding allows for proper allocation of resources to support better patient care.
- Mention that undercoding can negatively impact patient outcomes and lead to potential ethical concerns.
- Consider a sentence at the end highlighting the importance of ethical coding practices for building trust and transparency within the healthcare system.