

## Hospital Reimbursement - TRICARE DRG-Based Payment System (Information Provided By TMA)

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### 1.0 ISSUE

What information will be provided by the TRICARE Management Activity (TMA) concerning the TRICARE DRG-based payment system?

### 2.0 POLICY

**2.1** Information provided by TMA. The following specific data, which is necessary to determine the payment amount under the TRICARE DRG-based payment system, will be provided to the contractors by TMA. Updates to these data will be provided during September of each year.

**2.1.1** DRG weighting factors.

**2.1.2** Adjusted Standardized Amounts (ASAs) (urban and rural), including the labor-related and nonlabor-related portions.

**2.1.3** Area wage indexes.

**2.1.4** Outlier cutoffs for each DRG.

**2.1.5** Children's hospital outlier cutoffs. As of October 1, 1998, payment for long-stay outliers has been eliminated for all neonates and children's hospitals and children's hospital outlier cutoffs are no longer provided.

**2.1.6** Geometric mean Length-Of-Stay (LOS) for each DRG.

**2.1.7** Per diem cost-share for beneficiaries other than dependents of active duty members.

**2.1.8** Children's hospital differentials (national and hospital-specific).

**2.1.9** The ratio of interns and residents to beds for those hospitals subject to the Medicare Prospective Payment System (PPS), as listed in Centers for Medicare and Medicaid Services' (CMSs') most recently available Provider Specific File.

**2.1.10** The Indirect Medical Education (IDME) factors for all hospitals subject to the TRICARE DRG-based payment system.

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Chapter 6, Section 9

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**2.2** TMA will provide the contractors with corrected wage indexes when applicable.

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