

## Chapter 6

## Section 9

# Hospital Reimbursement - TRICARE Diagnosis Related Group (DRG)-Based Payment System (Information Provided By Defense Health Agency (DHA))

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### 1.0 ISSUE

What information will be provided by the DHA concerning the TRICARE DRG-based payment system?

### 2.0 POLICY

**2.1** Information provided by DHA. 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 DHA. 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** Geometric mean Length-Of-Stay (LOS) for each DRG.

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

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

**2.1.8** 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.

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

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

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