

RICK SCOTT  
GOVERNOR



ELIZABETH DUDEK  
SECRETARY

**Agency for Health Care Administration  
Bureau of Medicaid Program Finance  
2727 Mahan Drive  
Tallahassee, FL 32308**

**Diagnosis Related Group (DRG) Hospital Inpatient Payment Review  
Governance Meeting ~ December 12, 2012  
9a.m.-11a.m.**

### **Meeting Summary**

---

---

The Agency is making decisions on the inpatient hospital DRG conversion process using a Governance Committee model. This committee has been formed and held its fifth meeting on December 12, 2012. The decisions that have been made are outlined below.

Decisions from December 12, 2012 meeting:

1. Using updated pay-to-cost figures based on Medicaid cost reports that overlap the dates in SFY 2010-11;
2. Agreed that it is appropriate to remove the provider policy adjustor for free-standing rehab and add a service line policy adjustor for rehab services;
3. Agreed to remove the service line policy adjustor for Obstetrics as long as simulations show the pay-to-cost for obstetrics is above the state-wide average;
4. Agreed to use the charge cap logic as opposed to the provider gain outlier logic and reduce payment on everything, including IGT payments when applied;
5. Agreed to apply only the maximum adjustor opposed to applying all adjustors;
6. Agreed to not have a wage area adjustment applied; and
7. Agreed to apply a 6% documentation and coding adjustment along with an adjustment for real casemix increase between SFY 2010-11 and SFY 2013-14.

