
TITLE: HIGH COST/RARE DRGs PROGRAM**DISTRIBUTION:** ALL PUBLIC HOSPITALS IN WESTERN AUSTRALIA

1. Purpose

The purposes of this program bulletin are:

- to describe the operation of the High Cost/Rare DRGs program and any associated business rules; and
- to define the scope of the special services that fall into admitted patient programs for 2002-2003.

2. Background

In 1997-98 work was undertaken to define a cost schedule for admitted patient activity in line with the WA Budget Reform Model for 1997-98 initiative. It was a fundamental premise of the model that there were some diagnosis related groups (DRGs) which could not be described adequately in this State. These groups were classified as either program DRGs (type P) or High Cost/Rare DRGs (type X).

In 2002/2003, program groups continue to be defined to cover the range of admitted patient activities that require special monitoring. These are:

- Renal Dialysis
- Critical Care
- Rehabilitation
- Stroke and Stroke Rehabilitation
- Mental Health
- Oral Health

3. High Cost/Rare DRGs Program

The High Cost/Rare DRGs program is a subset of DRGs where activity and cost patterns are sufficiently irregular to suggest close monitoring and importantly, resource allocation through a program arrangement. These DRGs are managed through the High Cost/Rare DRGs program.

The High Cost/Rare DRGs Program includes the DRGs in the Table 1 below.

Table 1: DRGs – High Cost/Rare DRGs Program

DRG	Description
901Z	Extensive OR Procedure unrelated to PD
902Z	Non-extensive OR Procedure unrelated to Principal Diagnosis
903Z	Prostatic OR Procedure Unrelated to Principal Diagnosis
960Z	Ungroupable
961Z	Unacceptable Principal Diagnosis
962Z	Unacceptable Obstetric Diagnosis Combination

3.2 Program Management

Evaluation and review of the High Cost/Rare DRGs program will continue in order to inform the next round of the resource allocation model. Any suggested refinements to the program will be considered for the next resourcing round.

3.3 Reporting Requirements

All providers will be responsible for collating and forwarding activity reports as described in the following bulletins:

Technical Bulletin	10/4	Hospital Morbidity Information
Technical Bulletin	11/5	Hospital Morbidity Reporting Cycle
Technical Bulletin	20/5	Sub-Acute and Non-Acute Care
Technical Bulletin	26/4	Reporting Episodes of Care

3.4 Business Rules

- All providers will meet reporting requirements as specified by Service and Financial Plans (SFPs), contractual requirements and relevant Technical Bulletins as published from time to time.
- The DOH will analyse activity reports and reconcile funding as per the agreed SFP arrangements.