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| **Change Notification:** cn\_2023\_NCAMP\_AR-DRG v10.0 Upgrade**Date of Issue:** 05 December 2022 |
| **Proposed Implementation Date:** 01 July 2023 | **Subject:** Australian Refined Diagnosis Related Groups (AR-DRG) v10.0 Upgrade |
| **CHANGE NOTIFICATION** |
| **Summary:**The Australian Refined Diagnosis Related Groups (AR-DRG) is a patient classification system that provides a clinically meaningful way of relating the types of patients treated in a hospital to the resources required by the hospital.The National Minimum Dataset (NMDS) uses AR-DRG grouping software as part of the load process into the transactional system. The AR-DRG software creates and populates several fields from the NMDS load data for each event record. Assigning a DRG to an event record is a method whereby episodes of care are categorised by both clinical homogeneity and similar hospital resource use. A DRG is allocated to every event record loaded into the NMDS. This allocation is based on several variables relating to the event including diagnoses and procedures that are reported using the clinical coding classification ICD-10-AM/ACHI/ACS. |
| **National Collections Impacted by Change:** | NMDS |
| **Context of the Change:** The AR-DRG upgrade is part of the National Cost Collection and Pricing Programme (NCCPP) and WIESNZ development and has been approved by the sector Technical Reference Group (TRG).The 2021 National Costing Collection Pricing Programme (NCCPP) work year should have been a major change year involving the upgrade to the new DRG version, AR-DRG v10. The upgrade to AR-DRG v10 did not occur in FY 2022/23 due to two main reasons:1. many hospitals did not upgrade to the ICD-10-AM/ACHI/ACS Eleventh Edition classification 1 July 2019, which meant the 2019/20 NMDS data was coded in both ICD-10-AM/ACHI Eighth and Eleventh Editions.
2. there was a mismatch between the overall costs and expected volumes that arose from COVID-19 lockdown in the fourth quarter of 2019/20. Therefore, the Casemix and Non-Casemix Groups recommendation was not to use the 2019/20 event level cost data.

Due to these reasons the decision was made not to upgrade to AR-DRG v10.0 1 July 2022, and to wait for a full year of NMDS data coded in ICD-10-AM/ACHI/ACS Eleventh Edition and cost data. The 2022 NCCPP work year included the upgrade to AR-DRG v10.0 with a full set of new cost weights (WIESNZ23). AR-DRG v10.0 accepts ICD-10-AM/ACHI Eleventh Edition codes.  |
| **Details of Proposed Change:** Due to the delay in upgrading to AR-DRG v10.0 and the impending upgrade to ICD-10-AM/ACHI/ACS Twelfth Edition, event records clinically coded in ICD-10-AM/ACHI Twelfth Edition will have their codes back-mapped to ICD-10-AM/ACHI Eleventh Edition which are then used to derive AR-DRG v10.0. Please note that the AR-DRG v10.0 upgrade is mandatory for National Collections and Reporting and is implemented simultaneously with WIESNZ23.A new derived NMDS field (ECCS) will be implemented in the warehouse and transactional systems, and the cost weight transactional (WT) record return file (.ndw)

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| **Field Name** | **Size** | **Data Type** | **Format** | **M/O** | **Notes** |
| ECCS | 5 | Char | NN.NN | M | An Episode Clinical Complexity Score (ECCS) is an output from the grouper software and is a value between 0 and 32 with decimals of .5 e.g., 21.5These scores quantify relative levels of resource ultilisation within each ADRG and are used to split ADRGs into DRGs based on resource homogeneity.  |

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| **What is Expected of the Sector:** That planning commences to implement AR-DRG v10.0 by 1 July 2023.National Collections and Reporting have informed 3M Health Information Systems who are responsible for updating the 3M Codefinder application to include AR-DRG v10.0. Where hospitals have their own (local) grouping/caseweight allocation systems/applications they will need to update these to AR-DRG v10.0 and WIESNZ23, as per the 2023/24 Casemix Framework document.Where hospitals import the NMDS return cost weight file (.ndw) into their patient administration system they will need to manage the new DRG version and associated codes. Please note: AR-DRG v10.0 cannot be implemented without WIESNZ23. |
| **Impact of Change on National Collection(s):** AR-DRG v10.0 will be implemented by 1 July 2023. |
| **Contact:** If you have any questions regarding this change notice, please email ncamp@health.govt.nz |