## DIAGNOSIS RELATED GROUP (DRG) PAYMENT AND REVIEW

Applies to: Commercial HMO, POS, PPO, Medicare Advantage

**Effective January 1, 2021**, Kaiser Foundation Health Plan of Washington and Kaiser Foundation Health Plan of Washington Options, Inc. (Kaiser Permanente) may perform DRG reviews on claims which are reimbursed by MS-DRG, AP-DRG, and APR-DRG to validate that the diagnosis and procedural information leading to the DRG assignment is supported by the medical record. The purpose of DRG validation is to ensure diagnostic and procedural information and discharge status of the patient, as coded and reported by the hospital on its claim, matches both the attending physician's description and the information contained in the patient's medical records.

Review will be based on:
- Physician-ordered inpatient status
- Accuracy of diagnostic code assignment
- Accuracy of the procedural code assignments
- Accuracy of the sequencing of the principal diagnosis and procedure codes
- Accuracy of present-on-admission (POA) indicator assignment
- Accuracy of DRG grouping assignment and associated payment
- Accuracy of Discharge Disposition Status Code assignment
- Other factors that may impact DRG assignment and/or claim payment
- Compliance with KP's payment policies including but not limited to those policies that address DRG inpatient facility, never events, hospital-acquired conditions, and readmissions or transfers to another acute care hospital

The full policy can be found here: https://wa-provider.kaiserpermanente.org/static/pdf/provider/billing-claims/drg-payment.pdf

Questions: Contact Provider Assistance Unit at 509-241-7206 or 1-888-767-4670, Monday through Friday, 8 a.m. to 5 p.m.

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**KAISER PERMANENTE.**

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