AR-DRG Classification System Development and Refinement Services

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After a competitive public tender process in late 2012 and early 2013, the University of Sydney’s National Centre for Classification in Health (NCCH), in collaboration with the University of Western Sydney (UWS) and KPMG, was awarded the opportunity to work with the Independent Hospital Pricing Authority (IHPA) in the future development of the Australian Refined Diagnosis Related Groups (AR-DRG) classification system for the national health system.

The Australian Consortium for Classification Development (ACCD), led by the NCCH, has been established to comprehensively address the work program. The three consortium ACCD partners have the following responsibilities:

- The University of Sydney through the NCCH will take overall responsibility and provide leadership for the project. The NCCH, with its associated experts, will undertake the development and refinement work on the AR-DRG classification system, and will be responsible for the governance arrangements, communication with stakeholders, and publishing.

- UWS will be responsible for information technology (IT) systems maintenance and development, including the user interface for submissions and queries, and the (internal) IT platform to manage the processing of proposals and updates to the AR-DRG classification system. UWS will also undertake future certification of grouping software and the testing of specific software tools for clinical coding.

- KPMG will provide expert advice on AR-DRG change proposals and analysis methodology, and facilitate public consultative work for AR-DRG classification issues and refinement. The ACCD is therefore well placed to meet IHPA’s objectives, which are ‘to manage the AR-DRG and ICD-10-AM development processes in an ongoing capacity’ and ‘to deliver the quality refinement of the System based on clinical practice, that builds on the previous investments in the System.’

The ACCD’s approach is based on a number of drivers within the two major components of the AR-DRG classification system; namely, the International Statistical Classification of Diseases and Related Health Problems, Tenth Revision, Australian Modification, the Australian Classification of Health Interventions and the Australian Coding Standards (ICD-10-AM/ACHI/ACS) and the AR-DRG classification.

Ensuring objectivity in AR-DRG classification system changes

The ACCD recognises the risk in orienting the refinement of the ICD-10-AM/ACHI/ACS purely towards AR-DRG classification development. In the past, separate development of ICD-10-AM/ACHI/ACS and AR-DRGs minimised the likelihood that changes in the former were designed to produce a specific grouper outcome. The primary consideration should always be clinical and statistical appropriateness. It will be essential for operating procedures and governance to separate clearly the reasons for changes to ICD-10-AM/ACHI/ACS and AR-DRGs, so that the purposes of each are clear and transparent; and to ensure that the impact on the funding models, or grouper changes are clear to all stakeholders.

Focus on patient characteristics

The AR-DRG classification system needs to be developed with maximum regard to the characteristics of the patient, and with minimum regard to who is providing the service or the setting in which it is provided. Variations in efficient prices should be identified in the pricing model, with explicit recognition of any desired policy settings such as quality incentives or penalties.

Providing for multiple uses of the AR-DRG classification system

The ACCD recognises that ICD-10-AM/ACHI/ACS has many uses other than providing a classification base for AR-DRGs. Other important uses in the Australian health system include safety and quality of healthcare, evaluation of primary care (through analysis of potentially preventable hospitalisation) and population health (determinants of health). The governance structure and expert input take into account these varied uses and consortium members have a good understanding of all these uses of ICD-10-AM/ACHI/ACS.

The ACCD aims to achieve the objectives in the development of the two main components of the AR-DRG classification system by:

- stakeholder engagement through our governance model, public submission and queries process and proactive communication strategy
- enhancement of the refinement processes by increased stakeholder consultation, and migration and incorporation of methods and IT systems for refinement of the AR-DRGs and ICD-10-AM/ACHI/ACS classifications.
transparency of the AR-DRG classification system inputs and outputs and key stakeholder management that will be fostered through an agreed governance structure, work plan and communications plan.

- accountability for the product outputs through an agreed balanced scorecard and project deliverables as well as specific process performance measures.

Our consortium, which incorporates diverse skill sets, will operate under this best practice approach. We recognise that stakeholder engagement and communication is a continuous process and we have implemented the following strategies to ensure continuous improvement.

**Governance arrangements**

The Pricing Authority has the overall governance role and, therefore, the final decision on the AR-DRG classification system rests with it. ACCD’s governance arrangements, endorsed by IHPA, include the establishment and management of the following technical groups to ensure appropriate communication channels:

- International Classification of Diseases (ICD) technical group: clinical coding and classification advice in regard to ICD-10-AM/ACHI/ACS
- Diagnosis Related Groups (DRG) technical group: advice in regard to the refinement and development of AR-DRGs in Australia
- Classifications Clinical Advisory Group (CCAG): to facilitate broad canvassing of clinicians to ensure that there is likely to be general acceptance of the developed proposals
- Clinical technical groups: as required to provide specialty related clinical advice.

Figure 1 depicts the governance structure.

**ACCD server and website**

An independent server has been established for the AR-DRG Classification System Development and Refinement Services project. This server hosts the official ACCD website. The new domain name is www.accd.net.au. All data, documents and reports related to the project will also reside on the dedicated ACCD server, facilitating secure content management and auditable change management processes.

Construction of the ACCD website and Classification Information Portal (CLIP) has been undertaken with user-friendliness in mind. The website will be maintained and regularly updated to communicate important information to stakeholders.

**Public submissions and query guidelines**

A public submission and query guidelines review has been performed, taking into consideration stakeholder feedback received to date on the processes to ensure standardisation, transparency, efficiency and timely responses to stakeholders regarding the status of their submissions and queries.

One of our priorities has been to review the balanced scorecard used to rank public submissions. Ranking of ICD and DRG submissions will be undertaken by ACCD staff. The priority status will be displayed against the submission within CLIP. Ranking will also be informed by the information provided by the submitter and where information is inadequate or not provided, the submission will be assigned a lower score.

Query submissions come from jurisdictions through their clinical coding committees and will be given a priority of ‘high’ (by date of receipt). The ACCD supports the importance of timely advice with respect to classification queries. This initiative acknowledges the need for users of the classification to have access to timely and consistent national coding advice which in turn informs updates to the classifications.

The balanced scorecard formed part of the review of public submissions and query guidelines presented at the first meetings of the ICD and DRG Technical Groups held in
early December 2013. The guidelines will be published on the ACCD website in January 2014.

Our intention is to keep stakeholders fully informed in relation to the status of public submissions and queries. One of the major challenges is to manage stakeholder expectation with respect to public submissions and queries as to what can reasonably be achieved within a shortened production cycle. We intend to decrease the backlog of pending queries through tightened governance arrangements and to effectively manage the public submission process through regular communication of their status and priority. We will also ensure that lower priority matters are not overlooked (which is possible if they are continuously shuffled to the end of the queue). We acknowledge the importance of transparency and accountability in rationalising the volume of the workload. Our website and CLIP will be used as a vehicle to improve stakeholder confidence in this significant area of the project.

We will work to develop close links with state and territory coding committees. These committees provide a focus within each jurisdiction to support clinical coders, and channel important queries to the ACCD for resolution. Responses ensure national consistency in classification practice. In turn, the committees need to ensure that national approaches are followed.

Quarterly online newsletter and coding advice
A quarterly newsletter called ‘code it!’ was introduced in December 2013 as an online downloadable method of communication. This newsletter contains sections including:
- clinical updates and topical coding exercises
- errata
- coding rules (previously known as coding Q & A)
- frequently-asked questions (FAQs) arising from coder education initiatives
- other important information of interest to stakeholders.

Education
An important part of education and training is continued and consistent stakeholder communication and feedback. This process will be available all year round through our website. ‘code it!’ will provide continuing education to users of the AR-DRG classification system.

Formal pre-edition education will be provided through the delivery of a national online education program. Modern and cost-effective methods of education delivery such as webinar, video conferencing, YouTube and other such eLearning technologies will be considered when developing the pre-edition education series. Education conducted on the refinements of the AR-DRG classification system will be provided free of charge to users. As well as free online continuing coder education initiatives, it is proposed that face-to-face continuing education workshops will be made available to jurisdictions, local health districts, and other groups upon request.

The development of a web-based platform for the delivery of the system’s online education initiative is a cost-effective method that provides wide access to education materials outside face-to-face training environments. It will encourage participation, even from remote locations at times suitable to participants. An online, controlled education environment will also remove the subjectivity that at times can be a weakness in face-to-face training workshops, promoting consistency and quality in answers to participant questions. Self-test modules covering both pre-edition and continuing coder education will be developed and included on our website on a regular basis to aid assessment and self-improvement of the clinical coder workforce.

UWS with assistance provided by the NCCH and the NSW Branch of the Health Information Management Association of Australia (HIMAA) are currently developing a Bachelor of Information, Communication and Technology (Health Information Management) course. Four of the nine units of elective study for this course relate to an activity based funding (ABF) environment. These four units range from underpinning medical terminology and science, to intermediate level health classifications and ABF/casemix and costing systems. It is envisaged that the online and face-to-face education material for the AR-DRG classification system will benefit from the curriculum being developed within this program.

Online evaluation of education material will also be implemented on our website. Results of these evaluations together with participation details will inform future education needs of the coder workforce and allow for regular education reports as required by IHPA. End user support will also be provided via online publication of responses to FAQs generated during the education program.

The following processes are linked and will contribute to the development of national education material and training services:
- The public submission process provides valuable information about the background to changes to the AR-DRG classification system that have been implemented.
- Queries submitted by users of the AR-DRG classification system may also inform changes and provide essential education material.
- Feedback from technical groups and users on previous education material and evaluation of the program will provide information for planning of future education material.
- Consultation with relevant stakeholders to ensure that the education program meets the needs of the users will assist content development.
Conference presentations and workshops
We are now finalising arrangements for joint annual HIMAA/NCCH conferences to commence in October 2014. We believe that this will be a successful joint venture for all stakeholders associated with the health information management and clinical coding workforce. An annual continuing coding education workshop will be undertaken as part of this conference.

With IHPA’s agreement, we will present updates on the AR-DRG classification system at IHPA’s conferences and workshops, notably the ABF conferences. We will also seek opportunities for presentations at other relevant conferences, including the possibility of a Health Information Management/Clinical Coding Summer or Winter School (one week) to be developed and conducted in association with UWS, who have successfully implemented an annual Health Informatics Summer School which has been running for a number of years.

Further information
The ACCD website is undergoing a process of rapid development and we will endeavour to keep it as informative as possible. For further information on the project please visit our website at: www.accd.net.au. If you have any enquiries, please email us at enquiries@accd.net.au.

If you haven’t already done so, please verify or update your information on the ACCD CLIP on this website if you would like to receive communications from the ACCD.

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