

# National Health Fund – Diagnosis Related Group

**Client:** National Health Fund

**Country:** Republic of Macedonia

**Industry:** Public sector

**Business challenge:** Diagnosis Related Groups (DRGs) are used throughout the health care sector to address issues of cost, effectiveness and quality of care.

The objective of the project was to develop modern, web based “grouper” software for Diagnosis Related Groups for the National Health Fund of Republic of Macedonia and the hospitals in the health care system.

**Solution:** Diagnosis Related Group

**Seavus** has implemented the DRG Grouper application for assigning a Diagnosis Related Group (DRG), which is a method whereby episodes of care are categorized by both a clinical homogeneity and a similar hospital resource use. A DRG is allocated to every record loaded into the ICD-10 (International Statistical Classification of Diseases and Related Health Problems 10th Revision). This allocation is based on several variables relating to the event including the diagnosis and procedures that are reported using the clinical coding classification. DRGs are used for clinical analysis, epidemiological studies and are the basis of the calculation used to assign a cost weight

## **Benefits:**

Addition and extension of diagnoses and procedures with new defined from the hospitals.

Upgrade with modules for calculation of coefficients and prices of the DRG codes in accordance to the statistics and dynamics of the DRG codes used in hospitals.

Import of batch files with input parameters for creating DRG codes.

Web service that can be used by the hospitals to receive the DRG code directly into their existing software without using the central application.

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(the current payment mechanism for inpatient and day cases which are within casemix).

The software required to assign the diagnostic related groups is called a grouper and the software used to assist with assigning clinical codes is called an encoder. The DRG version and software need to be upgraded to align with the coding classification (ICD-10-AM) for ideal implementation. An alternative is to map coded data to that version used by the DRG grouper; however this does have implications in losing specificity and completeness of the original coded data.

The DRG Grouper is developed according to:

- ICD-10-AM classification of procedures,
- ACHI Fifth Edition (The Australian Classification of Health Interventions),
- Algorithm for grouping DRG – AM, version 5.2.

***Technologies utilized:*** The solution was developed using newest .Net technology, Framework 3.5, on Oracle database.

