301-0
(3)

UNIVERSITY OF Cincinnati

College of Medicine

Department of Surgery
Division of Education
University of Cincinnati
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June 13, 2006

Mark B. McClellan, M.D., Ph.D.
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-1488-P
P.O. Box 8011
Baltimore, MD 21244-1850

Dear Administrator McClellan:

The University of Cincinnati/ University Hospital welcomes this opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS or the Agency) proposed rule entitled *"Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates."* 71 Fed. Reg. 23996 (April 25, 2006).

We strongly urge the Agency to rescind the purported "clarification" in the proposed rule that excludes medical resident time spent in didactic activities in the calculation of Medicare direct graduate medical education (DGME) and indirect medical education (IME) payments. The stated rationale for the exclusion of time devoted to these activities is that they are not "related to patient care" The proposed rule cites journal clubs, classroom lectures, and seminars as examples of didactic activities that must be excluded when determining the full time equivalent resident counts for all IME payments (regardless of setting), and for DGME payments when the activities occur in a nonhospital setting, such as a physician's office or affiliated medical school.

The proposed rule position is in stark contrast to the Agency's position as recently as 1999, at which time the Director of Acute Care wrote in correspondence that patient care activities should be interpreted broadly to include "scholarly activities, such as educational seminars, classroom lectures . . . and presentation of papers and research results to fellow residents, medical students, and faculty." [September 24, 1999 Letter from Tzvi Hefter, Director, Division of Acute Care to Scott McBride, Vinson & Elkins].

We support the Agency's 1999 position. The activities cited are an integral component of the patient care activities engaged in by residents during their residency programs. We urge CMS to withdraw its clarification in the proposed rule relating to the counting of didactic time for purposes of DGME and IME payments and recognize the integral nature of these activities to the patient care experiences of residents during their residency programs.

Sincerely,

Timothy A. Pritts, M.D. Ph.D.
Assistant Professor of Surgery
Acting Director, Division of Education
Associate Director, Residency Program in General Surgery

301-1

UNIVERSITY OF Cincinnati

College of Medicine

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June 13, 2006

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Attention: CMS-1488-P
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Sincerely,

David R. Fischer, M.D.
Assistant Professor of Surgery
Associate Director, Residency Program in General Surgery

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Health Alliance™

Executive Offices
3200 Burnet Avenue
Cincinnati, OH 45229
513-585-6000

Cost Reimbursement
Tele 513.585.8069
Fax 513.585.8070

June 7, 2006

Centers for Medicare & Medicaid Services
Department of Health & Human Services
Attention: CMS-1488-P
P.O. Box 8011
Baltimore, MD 21244-1850

To Whom It May Concern:

The Health Alliance of Greater Cincinnati is an alliance of six acute care hospitals, located in the greater Cincinnati area. Two of the hospitals are located in Northern Kentucky, three in Cincinnati and one hospital in Hamilton, Ohio. One of the Cincinnati hospitals is the University Hospital, which is the safety-net hospital for the greater Cincinnati area.

Our comments are prompted by our concerns over the financial impact of the proposed changes to the Prospective Payment System (PPS) for inpatient operating cost; specifically, the proposed recalibration of DRG weights, the proposed changes to the outlier payment policy and the purported "clarification" that would prohibit hospitals from counting much of the resident time spent in didactic activities when calculating indirect medical education (IME) and direct graduate medical education (DGME) payments. These proposed changes are outlined in the Federal Register/Volume 71, 79/Tuesday, April 25, 2006/Proposed Rules-Page 23996 through 24433.

The proposed rule would increase the fixed-loss cost threshold for outliers from $23,600 to $25,530, an increase of 8.2%. The prospective payment rules mandate that outlier payments be funded through a 5.1% reduction in the PPS standardized payment amount. Based on your own estimates, outlier payments in fiscal year 2005 were approximately 4.1% of the total PPS payments and in fiscal year 2006 you're estimating that outlier payments will reach 4.71% of total payments. Since your policy regarding outlier payments does not allow retroactive increase in payments in any given year, and actual outlier payments have fallen short for three consecutive years of the 5.1% reduction in PPS payments, it's not clear to us why the fixed-loss threshold should again be increased in 2007. Based on the experience of our own six hospitals, outlier payments as a percent of gross PPS payments remain steady at approximately 3.9%.

These numbers suggest that a reduction in the fixed-loss threshold would be more logical. We ask that you re-evaluate your current proposed fixed-loss threshold and lower the threshold to achieve the mandatory 5.1% payment level, or reduce the amount set aside to reduce the PPS funding.

DRG Reclassifications

While we are supportive of CMS attempt to improve the accuracy of the Medicare payment rates for hospital inpatients, we have serious concerns about the proposed approach. Based on internal analysis of the impact of the proposed changes on our six hospitals and re-enforced by third party analysis, we have determined that four of our six hospitals will receive improved reimbursement in the range of $500,000; two of our hospitals, including University Hospital, will be adversely impacted by the proposed rule. Christ Hospital, which treats a large number of cardiovascular cases, is projected to have reduced reimbursement in 2007 of $4.4 million. In focusing on the six highest volume DRG's impacted, i.e. DRG 104, 124, 125, 515, 518 and 557, a detailed analysis of the current and projected cost compared to the current and projected reimbursement produces a reduction in net revenue of $2,850,000 or 22.6%. This analysis would indicate that CMS may have over reached in their attempt to adjust the DRG weights from a charge-base to a cost-base methodology. Our analysis indicates that in these six DRG's the change has resulted in a shift from a net gain of $1,100,000 to a net loss of $1,750,000 for these six specific DRG's. It would appear based on further analysis that the deployment of the adoption of the additional severity weighted DRG's would significantly mitigate this reimbursement change. While we are in full support of the underlying principles driving these proposed changes, we believe that the adoption of the cost-based weights without the deployment of the additional severity weighted DRG's will create in the short-term a significant penalty to all high cardiovascular providers of service. Our principle concern with the changes to the expanded DRG's is a question of the industry's ability to deploy these changes on such short notice. Because of the complexity of the calculations involved in the rebasing we would encourage CMS to move slowly with the implementation of these changes and would recommend that both the rebasing to expense-based weighting determination and the deployment of the additional severity of illness DRG's be postponed until fiscal year 2008. Furthermore, we believe a multiple year phase-in of the change to cost based weighting would allow the industry adequate lead time to adjust capital commitments and other contractual commitments in those service areas that are most adversely affected by the change. This postponement would also give the industry adequate time to evaluate in detail the methodologies and to deploy the needed software to deal with the expanded DRG's.

FTE Resident Count and Documentation

University Hospital receives approximately $30 million in DGME and IME reimbursement. We estimate that our residents spend as much as 14.0% of their time in didactic activities. The

unexpected and unwarranted loss of this revenue would put a significant strain on our already stressed ability to provide services to the underserved in our community.

We strongly urge the Agency to rescind the purported "clarification" in the proposed rule that excludes medical resident time spent in didactic activities in the calculation of Medicare direct-graduate medical education (DGME) and indirect medical education (IME) payments. The stated rationale for the exclusion of time devoted to these activities is that they are not "related to patient care." The proposed rule cites journal clubs, classroom lectures, and seminars as examples of didactic activities that must be excluded when determining the full time equivalent resident counts for all IME payments (regardless of setting), and for DGME payments when the activities occur in a non-hospital setting, such as a physician's office or affiliated medical school.

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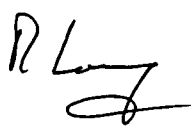
Thank you for your consideration of these comments.

Sincerely,



Ronald Long
Executive Vice President & Chief Financial Officer

303

UNIVERSITY OF KENTUCKY
Chandler Medical Center

College of Medicine

Department of Surgery
Division of Neurosurgery
800 Rose Street, Room MS107
Lexington, KY 40536-0298
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Phillip A. Tibbs, M.D.
(859) 323-5863 (Office)
(859) 323-5321 (Paging)
(859) 323-6343 (Fax)

June 9, 2006

CMS
Department of Health & Human Services
ATTN: CMS-1488-P
PO Box 8011
Baltimore, MD 21244-1850

RE: X-STOP IPD

Dear Sirs,

I would like to incorporate the use of the X-STOP device in my Neurosurgical practice. I specialize in spinal disorders, including complex spinal disorders. Many of my patients are incapacitated by sciatica due to stenosis or due to Grade I spondylolisthesis. Some of these patients are amenable to conventional neurosurgical techniques such as laminectomy and posterior lumbar interbody fusion. Others, usually due to medical risk factors, would be considered high-risk patients and the use of a technology requiring less operating time, less blood loss, and less physiological stress would be ideal.

For example, I recently treated an elderly lady who presented with severe sciatica and partial foot-drop due to Grade I spondylolisthesis. She had multiple medical risk factors including Addison's disease. She would have required high dose steroids during and after surgery. This steroid requirement and the physiological stress of a posterior lumbar interbody fusion basically eliminated that as an option. The only other alternative technology appeared to be the use of the X-STOP device. I performed X-STOP surgery for this patient and she has expressed complete relief of sciatica. She has had some residual leg weakness which is responding to therapy. I just received a letter from her son, a Family Practice physician in North Carolina. In his note, he said "thank God the X-STOP device arrived in time".

I have had a number of other patients with similar circumstances where we probably would not have considered major surgery because of risk factors, but where X-STOP provided relief. There have been several other patients who because of relative risk factors were benefited. For example, patients with morbid obesity with stenosis find extensive laminectomy to be quite a major procedure. Installing an X-STOP device in such a patient may take less than thirty minutes of time with essentially no blood loss and good potential benefit.

In summary, the X-STOP device in my opinion has strict indications, specifically that of sciatica due to stenosis or Grade I spondylolisthesis. So far, the technique has been at least as efficacious as laminectomy and fusion. It addresses a smaller subset of patients who may not be acceptable candidates for conventional surgery due to medical risk factors. It also has the promise of motion sparing, surgical relief of sciatica in a broader group of patients who would like to avoid extensive bony resection and prolonged surgical procedures.

Sincerely,

Phillip A. Tibbs M.D.

Phillip A. Tibbs, MD
Professor of Neurosurgery
and Rehabilitation Medicine
Director, University of Kentucky
Spine Center

PAT:mef

304

SPINE CARE

Stanley C. Jones, M.D.
Spinal Surgery
7500 Beechnut, Suite 150
Phone (713) 773-2273 Fax (713) 773-0392

June 5, 2006

CMS
Department of Health and Human Services
Attn: CMS-1488-P
P.O. Box 8011
Baltimore, MD 21244-1850

RE: St. Francis Medical Technologies

To Whom It May Concern:

I have utilized the X STOP application in treatment of patients with symptomatic spinal stenosis for which the abnormality was limited to one or two levels. I have performed 18 X STOP insertions and I have had fabulous results. It is refreshing to see patients not complaining of hip or leg pain after the procedure whereas before, none of these patients could walk or stand any distance or length of time due to neurogenic claudication.

I would wholeheartedly endorse and recommend the promotion of the X STOP device for treatment of segmental spinal stenosis. It is a fabulous modality for treatment in those patients that would otherwise be candidates for a more invasive laminectomy and nerve root decompression procedure.

Currently, I have 20 patients on the wait list for insertion of X STOP procedures, as the word appears to be spreading in the Houston area as to the fabulous results achieved with the use of the X STOP. If questions arise, please let me know.

Sincerely,

Stanley C. Jones, M.D.
scj:ds

7500 Beechnut, Suite 150
Houston, Texas 77074
Voice 713-773-CARE
Fax 713-773-0392
www.spinecareusa.com

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Elkhart General Healthcare System℠

June 12, 2006

Mr. Mark McClellan, M.D., Ph.D.
Administrator
Centers for Medicare and Medicaid Services
Attention: CMS-1488-P
Mailstop: C4-26-05
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Dr. McClellan:

As the Vice President of Finance at Elkhart General Hospital (EGH) in Elkhart, Indiana, I would like the Centers for Medicare and Medical Services (CMS) to consider our comments on the fiscal year (FY) 2007 inpatient prospective payment system ((PPS) and occupational mix adjustment proposed rules.

For background purposes, Elkhart General Hospital (EGH) is an Indiana non-profit corporation offering a broad spectrum of health related services to Elkhart County and other parts of north central Indiana and southwestern Michigan. The Hospital was established in 1909 and with 365 licensed beds, a medical staff of over 300 physicians, a complement of more than 2,500 full-time and part-time employees and a volunteer auxiliary of 450 members, EGH is the largest hospital in Elkhart County.

The rule proposes the most significant changes in the calculation of diagnosis-related group (DRG) relative weights since 1983 by creating a version of cost-based weights using the newly developed hospital-specific relative values cost center methodology. It also proposes refining the DRGs to account for patient severity, with implementation likely in FY 2008. In addition, the rule would update the payment rates, outlier threshold, hospital wage index, quality reporting requirements, and payments for rural hospitals and medical education, among other policies.

EGH is a full-pledged member of the American Hospital Association (AHA). In fact, the President of EGH, Greg Lintjer, is a member of the Board of Directors. We are aware of a letter sent to you by AHA leadership regarding their thoughts and suggestions about the proposed rules.

EGH, along with AHA, fully supports many of the proposed rules provision. We, like them, have serious concerns about certain proposed changes to DRG weights and classifications. Instead of rewriting all their comments and concerns, please refer to that letter and be assured that the AHA letter has our 100% support. We would like to also consider the following:

- We definitely support moving to a DRG-weighing methodology based upon hospital costs. But to expand from 526 DRGs to 1,258 goes against the mentality of trying to simplify healthcare. It seems that daily one of our congressman bring up this point. It already takes mammoth effort in

Elkhart General Healthcare System
600 East Boulevard
Elkhart, IN 46514
Phone: 574/294-2621
www.egh.org

- staffing and training costs to ensure to current system is working properly. Now the plan is to more than double it!!! This will just add to more confusion to an already over complicated system.

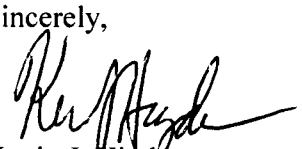
- Under the proposed rules changes many of the cost DRG's are being reduced significantly. These are the same DRGs that technology advancements have had a very positive impact on saving lives. An example of this are procedures that utilize a cardiac implantable Defibulator (DRG 5635 and 536). The cost of these generally run between $25,000 to $29,000 just for the device alone, let alone the other services and supplies related to that surgery. Currently, our payment for that does not even came close to covering the direct cost, yet CMS is proposing to cut the reimbursement greater than 10%. EGH and others will not be able to sustain any type of profitability if this continues and more than likely, the self insured or insurance patient will end up footing the cost, a cost shift to local employers and individuals that no one can afford.

- There has been a big push recently regarding Pay for Performance efforts in regards to reimbursing physicians and hospitals. This is a good effort to increase the quality of healthcare in the country. Yet, it appears that there is little or no discussion about matching quality improvements with reimbursement in this proposal. I would suggest that these efforts be continued and be part of the proposal.

As stated above, these are just a few of the concerns that EGH has with the proposed rules. Those, in combination with the concerns that AHA has expressed to you previously in their letter, necessitate a more formal review of the rules and, at minimum, a delay in the implementation of the rules.

If you have any questions, I would be more than willing to discuss these with you. I can be reached at khigdon@egh.org or (574) 523-3208.

Sincerely,



Kevin J. Higdon
Vice President of Finance

KJH/lt

cc: Elkhart General Hospital Board of Directors
Elkhart General Hospital Administrative Staff
Evan Bayh, U.S. House of Representatives
Richard Lugar , U.S. House of Representatives
Chris Chocola, U.S. House of Representatives
Mark Souder, U.S. House of Representatives
Fred Upton, U.S. House of Representatives
Senator Carl Levin, Michigan House of Representatives
Senator Debbie Stabenow, Michigan House of Representatives
Brent Richards, Manager of Reimbursement, Elkhart General Hospital

GREENWICH HOSPITAL
YALE NEW HAVEN HEALTH

2006 JUN 19 PM 3:05

June 12, 2006

Mark McClellan, M.D., Ph.D.
Administrator
Centers for Medicare & Medicaid Services
Attention CMS-1488-P
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

Re: CMS-1488-P; Medicare Program; Proposed Changes to Hospital Inpatient Prospective Payment System and Fiscal Year 2007 Rates

Dear Dr. McClellan:

Greenwich Hospital appreciates the opportunity to provide these comments regarding the Centers for Medicare and Medicaid Services (CMS) proposed rule: Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates [CMS-1488-P]. The CMS proposed rule sets forth numerous and sweeping operational and policy changes to the hospital inpatient prospective payment system (IPPS). These comments outline strategies to more effectively meet the proposed rule's stated objective of creating incentives for hospitals to operate efficiently and minimize costs while at the same time ensuring that payments are sufficient to adequately compensate hospitals for their legitimate costs.

Greenwich Hospital supports the following recommendations:

- **Wage Index Budget Neutrality**: CMS eliminated Critical Access Hospital (CAH) data from the wage index file it uses to compute the national average hourly wage (NAHW). Because CAHs have lower average hourly wages than the average PPS hospital, the elimination of this data results in an overstated NAHW, which consequently reduces payment because of the budget neutrality adjustment. CMS should apply a positive budget neutrality adjustment in FY 2007 to compensate for the prior underpayments and should remove CAH data from all parts of the calculation.

5 Perryridge Road
Greenwich, CT 06830-4697
(203) 863-3000

- **DRG Changes**: Greenwich Hospital supports moving to a DRG-weighting methodology based on hospital costs rather than charges. Greenwich Hospital opposes the introduction of a new classification system at this time, as the need for a new system is still unclear.

- **Quality**: When expanding quality data reporting requirements for hospitals to receive a full market basket update to include all 21 measures that are currently part of the Hospital Quality Alliance's (HQA's) public reporting, CMS should make the data collection prospective by requiring that hospitals pledge to submit data for patients discharged on or after July 1, 2006 rather than January 1, 2006. Greenwich Hospital also urges CMS to continue to use HQA as the principal source of measures for hospital performance reporting and continue to align its efforts with those of HQA. Finally, it is critically important that CMS enhance its data submission, validation, and error correction processes, in order to ensure that hospitals are not inappropriately penalized for technical data issues.

- **Cost Outlier Threshold**: Greenwich Hospital urges CMS to adopt the AHA-recommended outlier threshold methodology, lowering the outlier threshold.

- **Value-Based Purchasing:** The primary goal of value-based purchasing, also known as pay-for-performance systems, should be to facilitate the development of a healthcare system that is safe, effective, patient-centered, timely, efficient, and equitable, and the systems should be designed to support that goal. Pay-for-performance systems should: be practical for hospitals to implement; ameliorate, not exacerbate, the financial challenges already facing hospitals by providing and aligning physician and hospital incentives, not imposing penalties; be based on measures that accurately assess a hospital's performance in delivering quality care; and compensate a hospital based on its own performance, irrespective of the performance of other hospitals.

We appreciate your consideration of these comments.

Sincerely,

Eugene Colucci, CF

Eugene Colucci
Sr. Vice-President, Finance/CFO

By Mail & Email

KENT
HOSPITAL

2006 JUN 19 PM 3:06

June 12, 2006

Mark McClellan, M.D., Ph.D., Administrator
Centers for Medicare and Medicaid Services
Attn: CMS-1488-P & P2
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

RE: CMS-1488-P Proposed Changes to the Hospital Inpatient Prospective Payment System for FY 2007 – DRG weights

Dear Dr. McClellan:

I am writing as President and CEO of a 359-bed acute care, non-profit hospital serving a population base of some 300,000 in central and southern Rhode Island and wish to indicate our support for the CMS proposal to move DRG weights from charge based to cost based.

Our Medicare patient base is approximately 40% of our total admissions and medical DRGs comprise the majority of our patient mix. The current DRG weights do not provide for an even return across DRG's and as a result of an increasing number of medical patients being treated in our hospital our loss on treating Medicare patients has continued to increase. The proposed change in DRG weights is expected to result in a modest increase in reimbursement to Kent Hospital. Unfortunately, any increase would be largely offset by a reduction in reimbursement as a result of a decrease in the wage index component of our DRG payments. However, at a time when many community hospitals are struggling with the issue of fiscal sustainability, any net improvement is very important.

We are concerned that the Board of Directors of the American Hospital Association has just recommended a one year delay in the implementation of the proposed changes. While the AHA says they support the concept in general, they have suggested there may be some flaws in the methodology. However, we are confident that community hospitals which admit more medical than surgical patients would be more equitably reimbursed under the changes as currently proposed. Although it is worth noting that large specialty and tertiary hospitals might have some concerns with the proposed changes since their patient mix would tend to include more surgical DRGs, we believe their exclusive grant to provide some of those services would more than offset the impact of the proposed changes.

In summary, Kent Hospital believes that the cost based approach as you have currently set forth provides for a more balanced distribution between medical and surgical DRGs. We do not agree with the delay requested by the American Hospital Association and recommend the changes be implemented as scheduled. We would be pleased to provide more detail relative to our specific circumstances to you and your staff as needed. As always, we are grateful for your concern and attention.

Sincerely,

Mark E. Crevier
President & CEO

Copy: John Hynes, Esq., President & CEO, Care New England Health System
Senator Jack Reed, D-RI
Senator Lincoln Chafee, D-RI
Congressman Patrick Kennedy, D-RI
Congressman James Langevin, D-RI

COMPREHENSIVE CANCER CENTER
AT
OUR LADY OF MERCY MEDICAL CENTER
A UNIVERSITY HOSPITAL OF NEW YORK MEDICAL COLLEGE

Janice P. Dutcher, M.D.
Associate Director for
Clinical Affairs
Professor of Medicine

600 East 233 Street
Bronx, NY 10466-2697
Phone: (718) 304-7219
Fax: (718) 304-7228

308

2006 JUN 19 PM 3:06

June 0[illegible] 2006

Mark B. McClellan, MD, Ph.D.
Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
Room 433-G Hubert Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

Re: **Proposed Changes to the Hospital Inpatient Prospective Payment System and Fiscal year 2007 Rates– CMS-1488-P**

Dear Dr. McClellan:

I am pleased to have this opportunity to comment on the Hospital Inpatient Prospective Payment System and Fiscal Year 2007 rates Proposed Rulemaking published by the Centers for Medicare and Medicaid Services (CMS) in the *Federal Register* on April 25, 2006. I write on behalf of kidney cancer patients at Our Lady of Mercy Medical Center, who are candidates for treatment with high-dose interleukin-2 (IL-2) therapy. High-dose IL-2 therapy offers the only possibility of long-term survival for patients with metastatic renal cell carcinoma and metastatic melanoma, conditions that are otherwise fatal. Any effort to overhaul the DRG classifications needs to take into account resource intensive life saving therapies like high dose IL-2.

In 2002 and 2003, the Kidney Cancer Association and other medical centers, including Our Lady of Mercy, raised concerns that high-dose IL-2 admissions were assigned to DRG classifications with far less resource intensive treatments, which resulted in inadequate Medicare reimbursement for high-dose IL-2 patients. The inadequate reimbursement led to restricted access for Medicare patients, and resulted in the closing of some high-dose IL-2 programs. Our Lady of Mercy worked with other academic centers to identify and collect Medicare patient data to demonstrate the resource intensive nature of high dose IL-2 in the clinical setting. This data was collected at the request of CMS. The analysis of the data demonstrated that hospitals had been under reimbursed for high-dose IL-2 therapy and supported CMS's decision in 2003 to issue high-dose IL-2 a procedure code (00.15) and to reassign high-dose IL-2 cases to DRG 492. These changes appropriately reimbursed for the administration of high-dose IL-2, ensuring continued access to this important therapy for many patients.

The proposed overhaul of the DRG system to create severity of illness adjusted DRGs could unintentionally undermine CMS's effort to make IL-2 available to patients and threaten the viability of many high-dose IL-2 programs. The administration of high-dose IL-2 is complex and very resource intensive. It must be administered on an inpatient basis, due to the requirement of regular and close monitoring of cardiovascular, pulmonary and renal systems. It is routinely performed by medical staff trained in specialized treatment settings such as intensive care units. High dose IL-2 differs, however, in that patients receiving this therapy are ambulatory and in relatively good health when admitted for treatment. The proposed severity of illness adjusted DRG system does not take this into account because the patient's diagnosis and severity of illness are the primary drivers of DRG assignment. It does not allow for procedure codes to map to an appropriate paying DRG.

The impact of the proposed CSA-DRG system on Our Lady of Mercy Medical Center payment rates for high-dose IL-2 cases will be dramatic. In the 2004 MedPAR files, Our Lady of Mercy had 11 Medicare claims involving procedure code 00.15. The weighted average CSA-DRG for all 559 Medicare claims using procedure code 00.15 is 1.6585. This constitutes more than a 50% reduction in payment when compared to the proposed FY 2007 relative weight for DRG 492 of 3.6663. A more than 50% reduction in payments is not adequate to cover the cost of administering this resource intensive therapy.

I urge CMS to develop a mechanism to allow certain procedure codes to map to an appropriate paying DRG. The proposed system does not take this into account and could severely limit or deny patients access to HD-IL2 therapy. Thank you for your attention to this issue; HD-IL2 is an important therapy for Medicare beneficiaries offering the only possibility of long-term survival for those with otherwise fatal metastatic renal cell cancer or metastatic melanoma.

Sincerely,

Janice Dutcher

Janice P. Dutcher, M.D.
Professor of Medicine
New York Medical College;
Director Cytokine Research and Treatment Unit
OLM Cancer Center

Peter H. Wiernik, M.D.
Professor of Medicine and Radiation Medicine,
New York Medical College;
Director, OLM Cancer Center

SAINT VINCENT HEALTH SYSTEM
232 West 25 Street
Erie, Pennsylvania 16544

309

SAINT VINCENT

June 9, 2006

Mark McClellan, M.D., Ph.D.
Administrator
Centers for Medicare & Medicaid Services
Attention: CMS-1488-P and P2
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

RE: CMS-1488-P and P2, Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates; Proposed Rule.

Dear Dr. McClellan:

Saint Vincent Health System is pleased to submit the following comments on the notice of proposed rulemaking (NPRM) for the Fiscal Year 2007 Hospital Inpatient Prospective Payment System (Federal Register, Vol. 71, No. 79) published April 25, 2006, as revised by the May 17, 2006 Centers for Medicare and Medicaid Services (CMS) notice "Medicare Program; Hospital Inpatient Prospective Payment Systems Implementation of the Fiscal Year 2007 Occupational Mix Adjustment to the Wage Index."

The proposed rule, if adopted as proposed, would make the most significant changes to the hospital inpatient prospective payment system (IPPS) since its implementation.

Saint Vincent Health System has serious concerns abut the proposed changes to the DRG Weights and Classifications. We understand that these proposed changes are driven by the proliferation of specialty hospitals and your efforts are noble. As a hospital who serves the uninsured, operates a full emergency department and provides a community benefit to our region the proposed changes to the DRG Weights and Classifications will seriously hamper the good work we've done. As a Pennsylvania hospital we serve the second most senior population in the United States. And as you might expect, that population utilizes the surgical side of medicine (that most negatively affected by the proposed changes to the DRG Weights and Classifications).

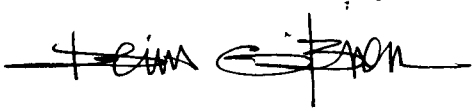
Our analysis shows the impact of the proposed changes to be highly unstable, with small changes in method leading to large changes in hospital payment. We

respectfully request that a delay in the implementation be granted and that an analysis to discern and report on any unintended consequences be commissioned.

Saint Vincent Health System appreciates the opportunity to submit these comments. If you have any questions about our remarks please contact me direct at 814-452-7266.

Sincerely,

Saint Vincent Health System



Denis O'Brien
Vice President
Legislative Services

2006 JUN 12 PM 3:06

June 9, 2006

Dr. Mark B. McClellan, M.D., Ph.D.
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, S.W.,
Washington, D.C. 20201

ATTN.: CMS-1488-P

Re: Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates; Proposed Rule, Federal Register, Volume 71, No. 79, Tuesday, April 25th, 2006

Dear Dr. McClellan:

On behalf of our approximately 190 member hospitals and health care systems, the Illinois Hospital Association (IHA) is taking this opportunity to formally comment on the proposed rule establishing new policies and payment rates for hospital inpatient services for fiscal year 2007. IHA commends the Centers for Medicare and Medicaid Services (CMS) for its thorough analysis in the development of this rule; however, the Association does have some concerns with several of the provisions. Therefore, in accordance with instructions in the rule, the Illinois Hospital Association presents the following comments for your consideration:

1. Acute Hospital Issues:

➢ DRGs: Recalibration of DRG Weights:

For FY 2007, CMS has proposed changes to the calculation of the Diagnosis Related Group weights; these changes are the most significant to the DRG weighting system since the inception of the Medicare inpatient prospective payment system. The Illinois Hospital Association is very concerned that the weights, as proposed, would result in a significant redistribution of Medicare inpatient payments among hospitals. Currently, CMS calculates the DRG weights by aggregating charges for all hospitals paid under the PPS and determining the average charge per DRG. The proposed rule for FY 2007 changes the weight calculation to a methodology that groups hospital charges into one of ten groups and then applies national average cost-to-charge ratios (CCRs) to mitigate for charge variances among hospitals. The process is referred to as the "Hospital-Specific, Relative Value Cost Center (HSRVCC) methodology. The ten groups consist of eight ancillary departments, a general routine department and an intensive care department.

During its review of the methodology used by CMS to revise the DRG weights, the American Hospital Association (AHA) discovered errors. For example, CMS "hospital-weighted" versus "charge-weighted" the calculation of the CCRs; this revised weighting, in turn, converted the charge-based relative weights to cost. Also, the inclusion of organ acquisition costs in the calculation of the various transplant DRG weights substantially impacts the payment calculation

increase by approximately 6.0%, while the average weight for surgical DRGs would decrease by 5.7%.

Also, within this same letter, is a discussion about the fluctuations in case mix that have occurred between 2004 and 2007 when evaluating a facility's request for Rural Referral Center (RRC) status. The published case mix thresholds have been calculated for FY 2007 using the current DRG classification system. IHA is concerned that if CMS were to implement significant changes to the DRG weights, hospitals considering applying for RRC status would be applying incorrect case mix criteria to their current operations. This circumstance is another reason for a delay in implementation.

Therefore, given the above issues, the Illinois Hospital Association, while supporting the move to cost-based weights overall, requests that CMS delay implementation for at least a year until data errors, errors in the methodology and re-distribution effects can be corrected.

- **DRGs: Severity of Illness**:

CMS proposes adopting "consolidated severity-adjusted DRGs" in fiscal year 2008 if not earlier; as a result, the DRG listing would be expanded from the current 559 to 861, a 54% increase. Theoretically, the severity-adjusted system will further categorize DRGs to account for recognition of higher costs incurred by the more severely ill patients within the current DRG groups. IHA urges CMS to approach such changes cautiously and consider the impact on all hospitals. For example, CMS should release impact files by hospital far in advance of any implementation of such a dramatic change. It is unclear as to why CMS believes that a revision to the current DRG classification is necessary; until the agency can provide reliable data to support the incorporation of a new system, IHA recommends a delay.

The recommendation for further analysis and a transition phase for any revisions to the current DRG system takes on greater importance given the fact that Medicare is not the only payer of services to utilize this system. In Illinois, for example, the Department of Health and Family Services currently pays hospitals for inpatient services to Medicaid patients on the basis of DRGs. Other commercial payers have utilized the DRG system for contracted payments to network hospitals. So it is clear that any significant changes to the number or composition of the Medicare DRG system have great payment ramifications for other payers as well. Therefore, any inconsistencies or errors in the development of the data must be identified and corrected, as these will filter through into other payment systems. **Therefore, because the impacts of DRG changes are felt in other payer venues, the Illinois Hospital Association recommends at least a one-year delay for implementation.**

Again, to summarize: specifically, the Illinois Hospital Association:

- ***Supports a one-year delay in the proposed regulation's DRG changes.***
- ***Supports a move to cost-based weights, but the CMS-proposed method is flawed. More work is needed to determine the best way to create cost-based weights.***

- ***Is unclear on the need for a new patient classification system. More work is needed to assess the proposed or other classification systems to understand whether it results in an improved hospital payment system.***

- ***Supports, only if the need for and best approach for changing the patient classification system can be demonstrated, simultaneous implementation of the DRG weight changes and new classification system.***

- ***Supports, when implemented, a phase-in of any changes in the system over a minimum of three years.***

- ***Commits to working with CMS to develop and evaluate alternatives for new weights and patient classifications.***

- ***In keeping with the federal government focus on cost controls and transparency, CMS needs to fully ensure that the software utilized is publicly available and is in the public domain for all vendors to utilize and incorporate into their systems. CMS should utilize the present DRG model software for pricing and public availability for any risk adjusted software The risk adjusted software that is presently utilized is cost prohibitive and privately maintained which goes against all of the other CMS initiatives on cost reductions and transparency. The ability of the present model on the web site to model one patient case at a time is inefficient and ineffective for hospitals and is adding to the cost of delivering health care unnecessarily.***

➢ **Hospital Quality Data:**

The Deficit Reduction Act of 2005 (DRA) requires the Secretary to begin expanding number of quality measures hospitals are required to report. CMS proposes to implement this expansion retroactively to the start of 2006, with data for the first quarter of 2006 due by August 15, 2006. While the Illinois Hospital Association and its members fully support the reporting of quality of care measurements by hospitals for public reporting, payment, and internal improvement processes, retroactively implementing such changes after care has been delivered is not appropriate. Not only can one not affect change; some of the details needed to create a measurement or exclude/include a patient from a measurement may not be available retrospectively in the charts to properly report the data.

Several vendors have publicly stated that they cannot at this point go back to January 1st 2006 cases and retrospectively create this information as hospitals are concurrently collecting information and their systems are not set up for retrospective delivery of care. Conversely, CMS is encouraged to implement such changes prospectively, effective October 1, 2006 and have hospitals sign a letter of commitment.

The validation process still has many faults and problems as the contracted CMS Data Abstraction Center (CDAC) does not clearly communicate edits performed, nor does it review cases submitted in a timely manner. Furthermore, the period in question that will be utilized for the annual payment update had many issues and problems and should not be used as a basis for the Annual Payment Update. Some of these issues are:

- The Government Accountability Office (GAO) reported many shortcomings in the validation process in its recently publicly released report. The GAO report was not released in time for the CDAC to address the shortcomings.

- Of critical concern is the intention to average validation results for the past four quarters. If one goes back to the CMS documentation one will find that hospitals were banned from appealing any scores of 80% of greater during this time period. That is, any hospital that felt it should have received a higher score (i.e., 100%) could not appeal or request a review because the current CMS rules state that any score of 80% or greater was a passing mark. If CMS is averaging validation scores across quarters, some hospitals will be unjustly penalized because they could not appeal a score of 80% that they felt should have been 100%. Since the GAO report was issued, this practice has been changed and hospitals can appeal scores of 80% or higher.

- Formerly, both the validation process and the appeals process used to be maintained entirely by the CDAC. For the period in time that CMS wishes to use for the federal annual payment update, the validation appeals process was shifted away from the CDAC to the state Quality Improvement Organizations (QIOs) so that a balanced review process and decision-making could occur.

The agency also requests comments on the use of electronic medical records (EMRs) that will further facilitate the reporting of clinical quality data. EMRs and Electronic Health Records hold great promise for the future; however, not all hospitals are in the position to purchase and install the HIT systems. Several of the Illinois hospitals are Medicaid Disproportionate Share Hospitals or small and rural providers that do not have the purchasing power and resources to invest at this time. Other major hindrances to the implementation are the long-awaited standards from DHHS ONCHIT for the providers to select and implement a certified EMR/EHR Systems.

➢ **Standardized Rates:**

CMS solicits comments regarding adjusting the standardized amount to eliminate the effect of changes in coding or classification of discharges that do not reflect real changes in case-mix. The Association understands that CMS has discretion to make such adjustments for changes that are likely to occur. **However, absent strong evidence that such changes are likely, IHA urges CMS to avoid making negative adjustments to the standardized amount.** Hospitals cannot continue to sustain large negative margins serving Medicare patients without quality of care being impacted.

➢ **Outlier Payments:**

CMS proposes an outlier fixed-loss cost threshold of $25,530, compared to only $23,600 for fiscal 2006, an increase of 8.2%. In the August 12, 2005, **Federal Register**, CMS notes that fiscal 2004 outlier payments were only 3.52% of total DRG payments. In this proposed rule, CMS notes that fiscal 2005 outlier payments were only 4.1% of total DRG payments, and CMS projects that fiscal 2006 outlier payments will be only 4.71% of total DRG payments. CMS reduces the average standardized amount by a factor to account for the estimated proportion of total DRG payments made to outlier cases, which CMS has estimated to be 5.1% for the last several years. **However, as actual outlier payments have now been less than estimated payments for the**

past three years, IHA requests that CMS avoid implementing such a significant increase in the fixed-loss cost threshold for fiscal 2007.

- **Value-Based Purchasing:**

The DRA also requires the Secretary to develop a plan to implement a value based purchasing program beginning in fiscal year 2009. In developing such a program, IHA encourages CMS to consider the unique characteristics of different types of hospitals, urban vs. rural, teaching vs. non-teaching, etc. Rural and other smaller hospitals should not be disadvantaged by such a program due to their lower volumes of services. CMS notes that the 0.4% penalty for not reporting quality data has been sufficient to generate widespread compliance with the quality reporting requirements. Compliance should continue if not improve given the increase in the amount of the penalty effective October 1st, 2006 (2%). For this reason, significant penalties are not warranted, nor should they be proposed during the initial implementation of a value based purchasing program. CMS has also requested comments addressing its statutory authority to encourage the adoption and use of health information technology (HIT). Because hospital resources to invest in new HIT are extremely limited at this time, (especially considering the large negative margins hospitals are experiencing treating Medicare patients), CMS should be judicious in implementing this requirement.

2. Rural Hospital Issues:

- **SCH/MDH Changes in Qualification Status:**

CMS proposes to implement a mandatory reporting process whereby a Sole Community Hospital (SCH) or a Medicare-Dependent Hospital (MDH) would report to its CMS Regional Office when the circumstances under which it was approved as an SCH or MDH have changed. The Regional Office would determine whether the change affects the SCH or MDH status and notify the hospital if its status will be canceled, with the cancellation effective thirty days after the Regional Office determination. If the hospital does not disclose the change, the Regional Office will cancel the SCH or MDH designation retroactive to the earliest discernible date on which the intermediary can determine that the hospital no longer met the qualification criteria.

While the Illinois Hospital Association appreciates CMS' concern that an SCH or MDH should lose its special status if the circumstances that gave rise to this status have changed, the time frames as proposed create significant reporting burdens, especially for SCHs. A hospital can qualify to become an SCH based on a variety of circumstances, including the inpatient admission patterns of area residents, weather conditions, travel times, etc. IHA believes that requiring hospitals to monitor these various conditions on an ongoing basis presents an unwarranted burden on hospitals that have already shown they are the sole source of care reasonably available to Medicare beneficiaries in their service areas.

It is unclear from the proposed regulations as to whether CMS is placing a requirement on an SCH to re-measure the circumstances that gave rise to its classification on an annual or other unspecified periodic basis. This is very unclear, particularly given the CMS discussion under the Collection of Information Requirements. In this section, CMS states that it estimates only one hour will be required of less than 10 SCHs to comply with this requirement. CMS either greatly underestimates the cost and time required to comply with this requirement, or CMS does not expect SCHs to monitor this data on an annual basis. Specifically, it appears that CMS does not

intend to require SCHs to re-measure the market share test as described in 42 CFR 412.92(b). If that is the correct interpretation, IHA agrees with this position and request that CMS clarify that intent.

If CMS decides to shift some of this responsibility to the SCHs and MDHs, the agency should make very clear exactly what criteria the hospitals are responsible for monitoring. CMS should only require SCHs or MDHs to monitor readily-available, objective data. In the case of an SCH, this would include the opening of a new hospital within 35 miles of the SCH, or the mileage criterion on which their SCH status is based. For an MDH, this would include the addition of available beds that would exceed 100. The proposed regulations should be clarified with regard to this requirement. If CMS does not change the proposed regulations, it should acknowledge the administrative burden it is placing on providers and significantly modify the Collection of Information Requirements.

At the same time, there is a big concern about the dramatic financial impact that retroactive revocation of SCH or MDH status could have on a hospital. Unless CMS has clear evidence that a hospital knew it no longer met the criteria to qualify for SCH or MDH status, there should be no retroactive recovery of Medicare funds if that hospital's special status is revoked. **In lieu of retroactive application, IHA suggests that CMS can encourage self-reporting by requiring immediate revocation of status if the hospital does not report a change in circumstances, while revoking status at the start of the next cost reporting period, or six months from notification, whichever is later, if the hospital does self-report.**

- **Case-Mix criteria for Rural Referral Centers:**

Annually, CMS publishes the minimum national and regional case mix values a hospital must have to qualify for rural referral center status. IHA is concerned that the regional case mix values fluctuate so dramatically from year to year. Looking at the values published in the fiscal 2004, 2005 and 2006 final rules as well as those published in the fiscal 2007 for Region 4 (Illinois' region), the proposed rule yields the following comparisons:

	Case-Mix Index Value – Federal Register for FFY			
Region	**2004**	**2005**	**2006**	**2007**
4	**1.2489**	**1.1957**	**1.2762**	**1.3156**

While some regions have relatively stable values, others (including Region 4) have dramatic changes in at least two of the years presented. The Illinois Hospital Association requests that CMS review the process used to compute these values and determine if they are being computed accurately, or determine why some of the values fluctuate so dramatically from year to year. If the values are being computed incorrectly, they should be corrected in the Final Rule. If the corrections cannot be made in time to incorporate them into the final rule, then the corrected FY 2007 amounts should be published as quickly as possible, with the caveat that any providers that may have been disadvantaged by any error would be allowed an appropriate extension of time to seek RRC status.

- **Disproportionate Share (DSH) Adjustment:**

Section 951 of the Medicare Modernization Act of 2003 required CMS to release certain DSH data by December 8, 2004. Due to the significance of this issue, CMS should provide an update on its efforts to make this data available, and expedite the provision of this information.

- **Health Care Information Transparency Initiative:**

CMS describes the growth in health care costs as a situation caused partially by the fact that consumers are frequently not aware of the cost of care. The agency discusses a number of options to make more information available to consumers. IHA is very concerned about adding another additional reporting burden on hospitals to report data, such as prices. Many states and other entities are proposing similar requirements. Hospital pricing is a very complex issue, given the need to price supplies and services individually and uniformly among Medicare and other payers.

For example, prices for the entire hospital stay for two different patients with the same diagnosis can vary widely based on each patient's age and other complications that develop, as well as the tests and other services ordered by each patient's physician. The services received by a patient are determined by physicians, not by the hospitals providing the services. CMS could provide average charges to the public by hospital for selected high-volume DRGs, as well as explaining how different hospitals are paid for the same service, with regard to all of the various components that comprise a hospital's payment rate. That can be accomplished without adding another burden to hospitals to report pricing data.

Dr. McClellan, thank you again for the opportunity to comment. The Illinois Hospital Association welcomes the opportunity to work with your agency in the continued development and refinement of the Medicare payment system.

Sincerely,

Thomas A. Jendro

Thomas A. Jendro
Senior Director-Finance
Illinois Hospital Association
(630) 276-5516
tjendro@ihastaff.org

MCH
Massachusetts Council of Community Hospitals

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Rec'd in OSORA
6/13/06
jm

Mark McCellan, M.D.,PhD
Adminstrator
Centers for Medicare & Medicaid Services
RE: CMS-1488-P. P2
Room 445-G,
Hubert Humphrey Building
200 Independence Ave. S.W.
Washington, DC 20201

Proposed changes to the Hospital Inpatient Prospective Payment System. FY2007 rates: Proposed rule

Dear Dr. ~~McClellan~~ Mark:

The Massachusetts Council of Community Hospitals (MCCH) is an association of 24 not for profit, independent community hospitals. MCCH is supportive of the proposed transition of payment for inpatient services from a "charge" based system to a cost based system, specifically the HSRVcc methodology. The current inequalities in payment amongst the several different types of providers will be partially corrected by the HSRVcc methodology. We urge you to continue the process of refining this proposed new system to more accurately mirror the costs of care. Community hospitals have been historically disadvantaged by the present payment system. The present system has created incentives that reward behaviors that cause distortions in the market place leading to over utilization of certain services and care at inappropriate sites of care. This new system begins to address such issues. By adopting the HSRVcc methodology you create the conditions for a more rational allocation of resources. The current growth of niche providers and specialty hospitals that has lead to redundant capital investments with little improvement in quality or reduced cost of care is a result of the current imperfections in the payment system. Hopefully, the introduction of HSRVcc and diligence in perfecting the cost of care estimates, better public policy will result as the provider community adjusts to the new payment scheme.

Very Truly Yours,

D J Thieme

Donald J.Thieme
Executive Director

45 Braintree Hill Office Park, Suite 300, Braintree, MA 02184 Telephone: (781) 356-5653 Fax: (781) 356-4494

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CATHOLIC HEALTH INITIATIVES

St. Vincent Health System

June 12, 2006

Mark B. McClellan, M.D., Ph.D.
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-1488-P
Mail Stop C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: CMS-1488-P; Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates

Dear Dr. McClellan:

St. Vincent Health System (SVHS) appreciates the opportunity to comment on the proposed rule (CMS-1488-P) that would change the Hospital Inpatient Prospective Payment System (PPS) and Fiscal Year 2007 Rates. SVHS is a multi-hospital system located in Little Rock, Arkansas and is a member of Catholic Health Initiatives, a Denver, Colorado-based national Catholic hospital system. SVHS is composed of three hospitals in Arkansas, two in the Little Rock/North Little Rock metro area and one in rural Arkansas.

The proposed rule would revise the methodologies used to calculate the relative weights of the Diagnosis Related Groups (DRGs) used to determine Medicare inpatient hospital services payment. The proposal would replace charge-based weights with a modified version of cost-based weights using hospital-specific relative values (HSRVs). The Centers for Medicare and Medicaid Services (CMS) also proposes a major revision to the DRG classification system to account for patient severity.

Adoption of the proposed DRG weight changes and proposed severity adjustments would result in the biggest change to the hospital inpatient prospective payment system (IPPS) since its inception. These changes would significantly redistribute payments among the DRGs and among hospitals.

Based on our calculations, the proposed changes to DRG s will have a negative $1,500,000 reimbursement impact beginning October 1, 2007. This type of reduction in payments will severely impact the ability for SVHS to provide health care services to central Arkansas and the surrounding areas.

We support improving DRG payments to more accurately reflect resources used in caring for Medicare patients, but it is not clear that the proposed DRG weight changes or new patient classification system will result in a more accurate hospital payment system. Impact estimates at the DRG and hospital level are extremely sensitive to methodological variations. Implementation in FY 2007 would be premature.

We urge CMS to delay these changes, undertake more in-depth analyses of their impact, and evaluate alternative methodologies for improving the DRG system.

While the proposed rule has many provisions impacting our hospital, we would like to comment specifically on the following issues:

HRSV Weights

We support a move to cost-based weights but have several concerns about the adequacy and validity of the proposed methodology. More work is needed to determine the best way to create cost-based weights. If changes are made to DRG weights, those changes should be phased in over three years with "stop loss" protections to allow significantly impacted hospitals time to prepare for payment changes.

In particular, **CMS should further analyze and evaluate the impact of:**

- **Use of 2004 Data** – CMS uses claims data taken from the FY 2004 MedPAR file in its methodology. Clinical practice has changed in many areas, especially cardiology, over the past two years. The data used may not reflect current clinical practice. CMS may need to make specific changes to specific DRGs to reflect the change in clinical practice. For example, interventional cardiology DRGs do not reflect the cost of current clinical practice.

- **Variation in Markups** – The CMS methodology assumes a uniform hospital markup, but markups vary from product to product.

- **Distortion of Costs** – The proposed methodology would distort the accuracy of cost estimates by combining multiple cost centers on hospital cost reports into ten CMS-designated cost center. CMS would then determine ten national average cost-to-charge ratios for each of the designated costs centers but the ratios would not be weighted by each hospital's Medicare charges. This would allow very small hospitals to have just as much of an impact on the national cost-to-charge ratios as larger hospitals.

- **Access to Centers of Excellence** – The proposed changes are particularly significant for large volume hospitals and may have a negative impact on Centers of Excellence, which could impede beneficiary access to high quality services.

We recommend delaying until at least FY 2008 the proposed cost-based DRG weights. CMS should undertake a more thorough analysis, including parallel pilot testing, of the proposed

changes to identify any unintended consequences. If DRG weight changes are implemented, they should be phased in over three years with "stop loss" protections.

DRGs: Severity of Illness

CMS has proposed a new classification system to reflect severity of illness among patients beginning in FY 2008 or earlier. CMS has proposed adoption of CMS-developed Consolidated Severity-Adjusted DRGs (CS-DRGs) rather than the widely applied All Patients Refined DRG system endorsed by MedPAC. Additional information and further analysis is needed to determine whether the CMS-proposed system, or another classification system, would result in an improved hospital payment system.

Until hospitals have a final GROUPER that can accurately assign the new CS-DRGs, it is difficult to calculate the impact. While we have surrogate methods of calculating the impact, GROUPERs used to calculate payments have changed in the past and minor changes can cause major changes in reimbursement.

We are concerned about the impact of making two major payment changes in two successive years. We are also concerned about the ability of hospitals to adapt to these major changes in PPS in the short time frame proposed.

If the need for and best approach for changing the patient classification system is clearly demonstrated, CMS should simultaneously implement the DRG weight changes and new classification system to provide greater stability and predictability in hospital payments. These changes should not be implemented before FY 2008. A three-year phase-in period with "stop loss" protections should be provided to ensure that redistribution of hospital payments is not unduly disruptive to negatively impacted hospitals.

We recommend further analysis by CMS to determine if the proposed CS-DRGs, or an alternative patient severity classification approach, would result in more accurate payments. If the effectiveness of, and need for, a new patient classification system is demonstrated, CMS should implement the new DRG system at the same time as the DRG weight changes. A three-year phase-in with "stop loss" protections should be allowed to provide greater stability and predictability in hospital payments. A new patient classification system should not be implemented before FY 2008.

Physician-Owned, Limited Service Hospitals

The DRG changes proposed by CMS seek to address the proliferation of physician-owned, limited service hospitals in response to recommendations from the Medicare Payment Advisory Commission. However, we do not believe that payment changes alone will remove the inappropriate incentives created by physician self-referral to limited-service hospitals. Physicians will still have the ability and incentive to steer financially attractive patients to facilities they own, avoid serving low-income patients, practice similar forms of selection for outpatient services and drive up utilization for services. We strongly urge CMS to rigorously examine the investment structures of physician-owned, limited-service hospitals.

We urge CMS to continue the suspension of issuing new provider numbers to physician-owned, limited-service hospitals until the CMS strategic plan has been developed and Congress has had an opportunity to consider CMS' final report on physician-owned, limited service hospitals.

Hospital Quality Data

We support expansion of the number of measures to be reported for the Annual Hospital Payment Update. This expansion follows the recommendation of the Institute of Medicine. However, we do have a concern with the timing of the final regulation and the requirement to begin the expanded reporting with January 1, 2006 discharges.

Hospitals are currently abstracting information for quality reporting for the January – March 2006 period with a closing date of mid-July. For those hospitals that have been collecting the "starter set" of 10 quality measures and have not begun abstracting the additional 11 measures, this retroactive requirement may pose an undue monetary and administration burden.

By the time the final rule is published, these hospitals may not have time to go back retrospectively and still meet the data submission deadlines for that period, especially if they need to have their vendor contracts amended to allow for the addition of an entire core measure set. These hospitals may also have difficulty retroactively collecting the second quarter information.

We recommend that CMS start the reporting period for the expanded quality measures with services provided on or after July 1, 2006.

Critical Access Hospitals

On November 14, 2005, CMS issued interpretive guidelines on the relocation of CAHs as a follow-up to the FY 2006 inpatient PPS final rule that established the "75% test" – serving 75 percent of the same population, providing 75 percent of the same services and employing 75 percent of the same staff – for necessary provider CAHs. The guidelines not only extended the 75% test to *all* CAHs, but also altered the definitions of "mountainous terrain" and "secondary road."

We believe that these guidelines go well beyond the regulations included in the FY 2006 rule that provoked numerous critical responses from individual CAHs and congressional representatives. The "mountainous terrain" and "secondary road" definitions are overly prescriptive and the 75% test does not provide reasonable flexibility based on natural variation in demographics, patient needs distribution patterns, normal employee and board attrition, and necessary changes in services to meet community needs. Rural hospitals that move a few miles are clearly the same providers serving the same communities.

Many CAHs are planning to rebuild in the near future to improve site safety and quality of care by adding fire and smoke barriers, upgrading infrastructure to support utilities and air handling, modernizing telecommunications to support health information technology, or making other essential upgrades. Facilities expect to relocate when they rebuild for a multitude of reasons: to be

closer to a highway, to connect to municipal water and sewer, to serve a moving population, or other similar concerns. Such improvements will undoubtedly result in higher quality care, better patient outcomes and more efficient service, yet CMS' guidelines discourage these improvements.

CMS' guidelines will not only impose an unnecessary burden on CAHs, but will preclude many of them from securing financing for needed capital improvements. The hospitals themselves and their lenders cannot risk investing in a hospital that will be unsure of its status until a year after moving.

Almost 60 congressional representatives signed a letter to CMS showing their support for their CAHs and urging changes to these guidelines. We agree with their recommendations and urge establishment of a safe harbor for hospitals relocating within five miles of their existing locations. These providers are not only clearly serving the same communities, but trying to improve the quality of and access to needed health care services. A safe harbor will reduce the administrative burden on not only the hospitals, but CMS and the state survey agencies as well.

We recommend use of a preliminary approval process by CMS to give assurances that the CAH relocation will be approved if it meets the assertions made in the attestation submitted to CMS. We urge CMS to create a safe harbor for CAHs moving a short distance. We also encourage CMS to make significant changes to the relocation guidelines based on the feedback received from CAHs around the nation.

Value-Based Purchasing

The Deficit Reduction Act of 2005 requires the Secretary to identify by October 1, 2007 at least two conditions that are (a) high cost or high volume or both, (b) result in the assignment of a case to a DRG that has a higher payment when present as a secondary diagnosis, and (c) could reasonably have been prevented through application of evidence-based guidelines. For discharges occurring on or after October 1, 2008, hospitals would not receive additional payment for cases in which one of the selected conditions was not present on admission. CMS seeks input on which conditions and which evidence-based guidelines should be selected.

The proposed rule discusses hospital acquired infections as a complication that could trigger higher payments and an area for consideration. Our concern with the selection of hospital acquired infections as a condition for denying additional payment is that the codes currently used in billing data do not accurately distinguish hospital-acquired infections from community-acquired infections.

Even surgical site infections, which should intuitively be accurately identified through administrative data, have proven to be grossly in error when compared to data collected and reviewed by infection control practitioners using Centers for Disease Control and National Infection Surveillance System definitions.

Instead of hospital acquired infections, CMS may want to consider hospital falls with injury and pressure ulcers not present on admission as two conditions that are potentially preventable through use of evidence-based practices.

In any case, we believe that administrative data should not be the sole decider. Just as there is additional data gleaned from records for the core quality measures, we believe that the adverse outcome concept can only be adequately gauged by reviewing the actual record to ensure that the event is accurately captured, and that the appropriate preventive measures were, or were not, followed. Only then would it be reasonable to base reimbursement on the occurrence.

We recommend that CMS select two "preventable" conditions for additional payment denial that can be most accurately identified as not present upon admission through billing data. Once identified, patient records should be reviewed to determine whether appropriate preventive measures were followed before denying additional payment for the condition.

Thank you for the opportunity to comment on this proposed rule.

Sincerely,

Pamela J. Stoyanoff

Pamela J. Stoyanoff
Senior Vice President and
Chief Financial Officer

Stormont-Vail
HealthCare

June 13, 2006

Centers for Medicare and Medicaid Services
Department of Health and Human Services
Attention: CMS-1488-P
Mailstop: C4-26-05
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Re: CMS 1488-P and P2 Medicare Program; Proposed Changes to the Hospital Inpatient PPS and Fiscal Year 2007 Rates; Proposed Rule

Dear Dr. McClellan:

With respect to the proposed changes to the above referenced program, I encourage you to delay for one year the implementation of any changes.

While I concur that change is necessary the magnitude of what CMS does is so significant that it must be done right the first time. More input is necessary. On behalf of my organization and its 3000+ employees and 400 doctors, I ask you to allow more time for input and adjustment. Thank you.

Best regards,

Maynard Oliverius
President and CEO

3140
(6)

THE MUNCY BANK & TRUST COMPANY

FOUNDED 1893

June 8, 2006

Centers for Medicare & Medicaid Services
Department of Health & Human Services
Attn: CMS-1488-P
P O Box 8011
Baltimore MD 21244-1850

RE: Comments to Proposed Changes to the Hospital IPPS and FY 2007 Rates
Published in the Federal Register on April 25, 2006 regarding:
Geographic Reclassifications -
- Requested Reclassification for Hospitals located in a Single Hospital MSA Surrounded by Rural Counties

Dear CMS:

The following comments are submitted in support of The Williamsport Hospital & Medical Center relating to the section of the FY 2007 Inpatient Prospective Payment System Proposed Rule titles "Geographic Reclassifications."

I am a member of the Board of Directors of Muncy Valley Hospital, which is an affiliate of The Williamsport Hospital & Medical Center. This hospital serves our patients and community very well and very efficiently. They provide many critical services performed by health care workers that are not easy to attract and retain. The ER Department is particularly busy and important to our community, especially when our community hosts the Little League World Series every year.

We offer as many if not more services than our competitors yet they are paid more for their labor costs under the Medicare Program. This is not fair. I think the Medicare Program need to "level the playing field" otherwise The Williamsport Hospital & Medical Center will not be able to attract and retain the healthcare workers that are so important to our patients – especially the elderly, representing 50% of our inpatients.

Please approve this rule that would allow for more equitable treatment compared to the other hospitals with which we compete.

Thank you.

Respectfully,

Daniel C. Berninger
Muncy Valley Hospital Treasurer & Board Member

President & CEO of The Muncy Bank and Trust Company

Cc: Steven P. Johnson, President & CEO

Two North Main Street • P.O. Box 179 • Muncy, PA 17756 • 570-546-2211
Toll Free 877-243-8919 • www.muncybank.com

STATE OF MARYLAND
DEPARTMENT OF HEALTH AND MENTAL HYGIENE

315

HEALTH SERVICES COST REVIEW COMMISSION
4160 PATTERSON AVENUE - BALTIMORE, MARYLAND 21215
AREA CODE 410-764-2605
FAX 410-358-6217
Toll Free 888-287-3229
Web Site: http://www.hscrc.state.md.us/

June 12, 2006

Mark McClellan, M.D., Ph.D.
Administrator
Centers for Medicare and Medicaid Services
Attention: CMS-1488-P
Room 445-G Hubert Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Dr. McClellen:

The purpose of this letter is to provide a few brief comments on the proposed inpatient regulation for the Prospective Payment System based on Maryland's experience. While Maryland has a waiver from the PPS system as part of an all-payer system, many of the methodologies at issue in this proposal apply to the methodologies employed by the State's rate-setting agency, the Health Services Cost Review Commission (HSCRC). These comments are intended to highlight some of the methodological and transition issues faced by the State's hospitals as the HSCRC has moved to a severity-adjusted case mix system.

The HSCRC has had considerable experience with APR-DRGs, even though State Fiscal Year 2006 (the current fiscal year) is the first year for all the State's hospitals. In FY 2001, the Commission began to measure case mix for the State's two academic medical centers with APR-DRGs. A third hospital was added to this list in FY 2002. These institutions had presented credible evidence that the severity of their cases was not appropriately measured under CMS DRGs, particularly for neonatal and pediatric cases. In an all-payer system, this deficiency presented an important issue that the APR-DRG grouper was uniquely positioned to rectify.

While a number of items have emerged during the transition to APR-DRGs, two major issues have been the focus of attention. These items are discussed below.

Case Mix Growth and Coding

Correct ICD-9-CM coding that yields maximum reimbursement under the CMS-DRG system may understate a hospital's case mix under APR-DRGs. If hospitals have attempted to improve coding efficiency by coding only to get maximum reimbursement under Medicare, the facility may not have captured a complete picture of its patients' severity of illness under APR-DRGs. When APR-DRGs (or consolidated severity-adjusted DRGs based on APR-DRGs) are used for reimbursement, hospitals have the financial incentive to improve their clinical documentation and to code administrative records more completely. The HSCRC collects the principle diagnosis and up to 14 secondary diagnoses. Prior to moving to APR-DRGs, one Maryland hospital reported 15 codes for only 2.5 percent of its cases. Four years after moving to APR-DRGs, the hospital reported 15 codes for over 20 percent of its cases. The hospital experienced substantial case mix growth over this period of time. An audit of the facility confirmed the accuracy of its coding.

In FY 2005, the HSCRC encouraged hospitals to improve their depth of coding prior to the transition to APR-DRGs. As this process began, case mix growth exceeded four percent for the State's hospitals on average, and in the current fiscal year, case mix growth is again near that mark. The HSCRC has implemented a policy for FY 2006 to limit the amount of case mix growth that is recognized for each hospital until depth of coding stabilizes. These limits have required the Commission to implement an appeals process for hospitals with new or expanding programs that generate rising case mix growth due to the complexity of the service in question.

Access to Resources

The HSCRC decided to move to APR-DRGs in June 2004. FY 2005 was established as a base year and hospitals were encouraged to begin their preparations for full implementation as of FY 2006 (beginning July 1, 2005). Despite the advance notice, a number of hospitals had not acquired the APR-DRG grouper until near the time for full implementation to begin. In addition to acquiring the grouper, hospitals had to deal with issues of integrating the grouper with other hospital systems, which was at times difficult with proprietary systems. (It has taken nearly two years for 3M and Quadramed to resolve issues about the appropriate interface between the APR-DRG grouper and Quadramed's end coder, which 11 of Maryland's 47 acute care hospitals use.) Finally, hospitals struggled to find coders as the demands on their existing staff increased with the demands for more complete coding. Maryland has 47 acute care hospitals. Moving the nation's entire hospital industry to a new system in a short period is likely to be much more difficult.

CMS has the opportunity to avoid some of the transition issues the HSCRC faced by placing the consolidated severity-adjusted DRG logic in the public domain or by requiring open licensing of the grouper at reasonable rates. While HSCRC required 3M to allow access to hospital vendors and consultants as part of the transition, the relationship has not always been smooth. As 3M has understandably tried to protect its proprietary interests, consultants and vendors to hospitals have struggled to obtain access to the grouper as they advised their clients. These consultant and vendor services are necessary for the hospitals to meet operational and regulatory requirements, however. We strongly recommend that this issue be addressed as part of any national transition to consolidated severity-adjusted DRGs.

I hope these brief comments are helpful. The HSCRC staff would be happy to answer any questions you might have about Maryland's experience with the use of APR-DRGs.

Sincerely,

D. Patrick Redmon, Ph.D.
Deputy Director, Research and Methodology
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, MD 21215
(410) 764-2605

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BOSTON ORGANIZATION
OF
TEACHING HOSPITAL FINANCIAL OFFICERS

316

2006 JUN 12 PM 3:05

MEMBER HOSPITALS:

BETH ISRAEL DEACONESS MEDICAL CENTER

BOSTON MEDICAL CENTER

BRIGHAM & WOMEN'S HOSPITAL

CHILDREN'S HOSPITAL

DANA-FARBER CANCER INSTITUTE

LAHEY CLINIC

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ST. ELIZABETH'S MEDICAL CENTER

TUFTS NEW ENGLAND MEDICAL CENTER

MEMBER HEALTH CARE SYSTEMS:

CAREGROUP, INC.

CARITAS CHRISTI HEALTH CARE SYSTEM

PARTNERS HEALTHCARE SYSTEM, INC.

CHAIR:
ROGER J. DESHAIES

C/O
BRIGHAM AND WOMEN'S HOSPITAL
75 FRANCIS ST. - PB-04
BOSTON, MA 02115
PHONE: 617-732-7899
FAX: 617-732-5831

Via Courier

June 8, 2006

Mark B. McClellan, MD, PhD
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Room 443-G
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Attention: CMS-1488-P

Dear Dr. McClellan:

We are writing to urge CMS to correct the calculation of the Area Wage Index for the Boston-Quincy CBSA for IPPS Year 2007 by removing the wages associated with the Bristol County (Providence, 39300, CBSA) campuses of Southcoast Hospital from the Boston CBSA.

"Geographic Reclassifications"

(Note: While this issue and the following comments do not pertain to Geographic Reclassifications, the issue at hand, i.e., a multicampus hospital with campuses located in more than one CBSA, is raised by CMS in this section of the proposed rule. At CMS' request, therefore, we include the caption "Geographic Reclassifications" at the beginning of our comment.)

Background:

Southcoast Hospital was formed in 1996 by the merger of the following 3 hospitals:

- St. Luke's Hospital (New Bedford, MA) and Charlton Memorial Hospital, (Fall River, MA), both campuses located in Bristol County which is part of the Providence CBSA (393000)
- Tobey Hospital (Wareham, MA) located in Plymouth County which is part of the Boston CBSA (14484)

According to Southcoast's Hospital License (copy provided as Appendix A), only 9.4% of the Southcoast's Medical / Surgical beds are located at the Tobey Hospital, Plymouth County campus (see Appendix C). Despite this small percentage, Tobey Hospital's Medicare Provider Number was selected for the merged entity, placing all of Southcoast's wages and hours into what was then the Boston NECMA. Because both Bristol and Plymouth counties were part of the Boston NECMA, the inclusion of the wages and hours of all three campuses in the Plymouth County campus did not affect the calculation of the Boston NECMA AWI.

With the reconfiguration of wage areas in 2005, Bristol County was assigned to the Providence CBSA and Plymouth County to the Boston CBSA. Despite the comments we, as well as others, made to both the 2005 and 2006 proposed IPPS rules, CMS continued to include the wages and hours of all three campuses in the Plymouth County campus, and therefore, to the Boston CBSA. However, as we understand it, based on comments to the 2006 proposed rule, CMS did instruct the Fiscal Intermediary to pay Southcoast's Medicare discharges from the two Bristol County campuses using the Bristol County (Providence CBSA) AWI.

In February 2006, Boston area hospitals filed an appeal to the PRRB through the Massachusetts Hospital Association protesting the inclusion of Southcoast's wages in the calculation of the FY 2006 Boston AWI. Based on the March 9, 2006 AWI PUF file, Southcoast Hospital continues to be assigned to the Boston CBSA.

Discussion of Issue

In summary, then, we see two components to this issue:

1. Accurate payment for Southcoast's Bristol County discharges; and,
2. Accurate payment for Boston hospitals' discharges.

By paying Southcoast's Bristol County discharges at the Bristol County (Providence CBSA) AWI, CMS has acknowledged that the Providence CBSA Area Wage Index is more reflective of the relative wages of Southcoast's Bristol County campuses.

We urge CMS to correct the second component of this issue and ensure accurate payment for the care delivered by hospitals in the Boston CBSA, as well as hospitals in surrounding counties that have reclassified into the Boston CBSA. ***Placing the 90 percent of Southcoast's hospital capacity in another wage area over 40 miles away completely obfuscates the intent of the area wage adjustment.*** We acknowledge that the "perfect" solution to this issue would for Southcoast Hospital to separately report its wage survey data for each of its campuses, enabling CMS to then allocate this data to the wage area in which the campus is located to precisely calculate each area's AWI. This solution depends on action by Southcoast hospital, however, and therefore not within the control of the hospitals adversely affected. Moreover, it would be unreasonable to require Southcoast to make these reporting changes in the short time available for the 2007 IPPS rate year. ***The current inclusion, however, is so egregious, that a reasonable alternative for 2007 must be derived. We estimate that this misclassification of Southcoast's Bristol County campuses reduces Medicare payments to hospitals in the Boston CBSA by over $12 million dollars a year.*** There are, we believe, at least two viable alternatives to apportion Southcoast's wages to each of its campuses:

- Number of beds (as we proposed in our comments to the 2006 proposed rule);
- The volume of Medicare discharges, perhaps adjusted for casemix.

Because the number of medical / surgical beds by campus are readily available from the hospital license (copy of Southcoast's license included as Attachment A), we believe allocating Southcoast's wage data using the relative distribution of beds as a proxy is the most accurate and practicable solution, at least for the 2007 IPPS rate year. Furthermore, while this is, as far as know, a very unusual situation, we recognize both the need for, and the benefit of, objective criteria to address both this situation and other similar situations that might arise in the future. Toward that end, we recommend the following approach:

1. The multicampus hospital's entire wage data will be allocated to its various campuses based on the relative proportion of licensed beds at each campus.
2. The wage index of the main provider wage area will then be recalculated exclusive of the wages and hours allocated to the campuses located outside the main provider wage area.
3. If the main provider wage area's recalculated wage index exceeds the main provider's unadjusted wage index by more than 0.5 percent, the wage index for the main provider wage area will be determined exclusive of the wages and hours allocated to the campuses located outside the main provider wage area.

4. The wages and hours allocated to these "outside" campuses will be assigned to the wage areas they are located in for the purposes of calculating the wage indices for those areas.

An illustration of this approach, using the March, 2007 AWI PUF file, is attached as Attachment B. (Again, we note that a copy of the Southcoast Hospital License is also attached.)

We recognize that this allocation of wages using the relative distribution of beds will not be completely accurate. However, should CMS consider rejecting this proposal, we respectively ask: If CMS is unwilling to apportion Southcoast's wages to the applicable counties using a reasonable proxy such as beds, what would the justification be for continuing to place ***100 percent of Southcoast's wage data*** in the wage area that contains less than ***10 percent of Southcoast's IPPS beds?***

We acknowledge that the designation of "main provider" has other payment implications. To be clear: we are not proposing any change in the designation of the Tobey Hospital, Plymouth County campus as Southcoast's "main provider". More importantly, we do not see any requirement to do so – our proposal only allocates wage data among the campuses for the purpose of calculating a far more accurate and fair wage index for these wage areas.

Reclassification of Bristol County Hospital Group

We believe we have made a strong case for the exclusion of the wage data for the Bristol County campuses of Southcoast Hospital from the calculation and application of the Boston CBSA area wage index.

However, as a technical matter, we have learned that Southcoast Hospital (Provider Number 22-0074) has just been approved for reclassification to the Boston CBSA as part of the Bristol County Hospital Group, consisting of Southcoast and 3 other hospitals: Provider Numbers 22-0008, 22-0020 and 22-0073. (Copy of letter of CMS Deputy Administrator reversing the MGCRB decision, Case No. 07G0047, included as Attachment C).

We have reviewed in detail both the Deputy Administrator's letter and Section 1886(d)(8)(C)(i) of the Act and conclude that, as a technical matter, this decision by the Deputy Administrator would require that the wage data for Southcoast's Bristol County campuses be excluded from the calculation of the Boston CBSA area wage index. Our reasoning is as follows:

First, we cite Section 1886(d)(8)(C)(i) of the Act:

"If the application of subparagraph (B) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10), by treating hospitals located in a rural county or counties as being located in an urban area, or by ***treating hospitals located in one urban area as being located in another urban area-***

(I) reduces the wage index for that urban area (as applied under this subsection) by 1 percentage point or less, the Secretary, in calculating such wage index under this subsection, shall exclude those hospitals so treated, or

(II) reduces the wage index for that urban area by more than 1 percentage point (as applied under this subsection), the Secretary shall calculate and apply such wage index under this subsection separately to hospitals located in such urban area ***(excluding all the hospitals so treated)*** and to the hospitals so treated (as if such hospitals were located in such urban area)." (emphasis added).

Secondly, the Deputy Administrator, in her May 30, 2006 Decision, states:

"In this case, the Group is ***located in Bristol County Group*** which is located in the Providence-New Bedford-Fall River, Rhode Island (RI)-Massachusetts (MA) Core-Based Statistical Area (CBSA) (Providence CBSA). The Group requested ***reclassification to the Boston-Quincy, MA CBSA (Boston CBSA)*** for purposes of using that area's wage index to determine its payment rate under the Medicare inpatient prospective payment system (IPPS)." (emphasis added).

The Deputy Administrator's May 31, 2006 decision reduces the wage index for the Boston CBSA by more than 1 percentage point, as demonstrated in Attachment D. We therefore conclude:

1. For the purposes of the calculation of the area wage index, the hospitals of the Bristol County Hospital Group, ***including the Bristol campuses of Southcoast Hospital***, are ***located*** in Bristol County and are ***treated as being located*** in another urban area, i.e., the Boston CBSA for the purposes of using that area's wage index to determine their payment rate.
2. Per Section 1886(d)(8)(C)(i) of the Act: The Secretary shall ***calculate*** and apply the Boston CBSA wage index ***separately*** to hospitals located in the Boston CBSA, ***excluding Southcoast Hospital's Bristol Campuses and the other three members of the Bristol County Hospital Group*** (Provider Numbers 22-0008, 22-0020, 220073 and 22-0074).

Conclusion

Thank you for your consideration of our comments. Please contact Anthony Santangelo, Partners HealthCare System, at (617) 726-5449 should you have any questions or require additional information.

Sincerely,

Roger Deshaies
Chair

Cc: Anthony J. Santangelo, Jr.
Member Hospitals and Health Systems

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC HEALTH

HOSPITAL LICENSE

Boston Organization of Teaching Hospital Financial Officers
Attention: CMS-1488-P, June 8, 2006 Comments Attachment A

In accordance with the provisions of the General Laws, Chapter 111, Sections 51-56 inclusive, and the regulations promulgated, thereunder, a license is hereby granted to:

Southcoast Hospitals Group, Inc.
Name of Applicant

for the maintenance of **Southcoast Hospitals Group, Inc.** at **363 Highland Avenue, Fall River, MA 02720**

and satellites as listed below. The license is valid until **November 23, 2006** subject to revocation or suspension, either wholly or with respect to a specific service or specific services, or a part or parts thereof.

CAMPUSES

HOSPITAL SERVICES	Southcoast Hospitals Group, Inc. **Charlton Memorial Hospital Campus** 363 Highland Avenue Fall River, MA 02720 BEDS	Southcoast Hospitals Group, Inc. **St. Lukes Hospital Campus** 101 Page Street New Bedford, MA 02740 BEDS	Southcoast Hospitals Group, Inc. **Tobey Hospital Campus** 43 High Street Wareham, MA 02571 BEDS	TOTAL BEDS
Medical/Surgical	246	256	42	544
Intensive Care Unit	16	16	10	42
Coronary Care Unit	8	8		16
Pediatric Service		25	6	31
Obstetrics Services	26	19	6	51
Psychiatric Service		32		32
Rehabilitation Service	32			32
TOTAL NUMBER OF BEDS	328	356	64	748
Well Infant Nursery Bassinets	29	20	9	58
Special Care Nursery Bassinets	8	8		16
Ambulatory Care Services	X	X		
Emergency Service	X	X	X	
Cardiac Catheterization Services	X	X		
Primary Stroke Service	X	X	X	
Hospice Services		X		

Commissioner of Public Health

LICENSE No **V113**

November 24, 2004
Date Issued

POST CONSPICUOUSLY (See Attached Satellites)

002/004

Boston Organization of Teaching Hospital Financial Officers

Comments to Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates
CMS-1488-P, Federal Register, April 25, 2007
"Geographic Reclassifications" / Multi-Campus Hospitals

Attachment B

Table 1: Baseline March 9, 2006 PUF AWI Salary and Hours Data

NAHW CMS file of 3/9/2006 (Estimated) **$29.5959**

Provider #	Hospital Name	CBSA FY2007	FY2007 Sal 3.9.2006	FY2007 Hours 3.9.2006	FY2007 AHW 3.9.2006	Est. WI
220154	SOLDIERS' HOME CHELSEA	14484	$6,073,443	170,658	$35.5883	
220126	CARITAS NORWOOD HOSPITAL	14484	$63,359,541	1,988,213	$31.8676	
220119	FAULKNER HOSPITAL	14484	$53,672,753	1,737,045	$30.8989	
220116	NEW ENGLAND MEDICAL CTR	14484	$196,364,378	5,369,814	$36.5682	
220111	GOOD SAMARITAN HOSPITAL	14484	$67,706,057	2,031,332	$33.3309	
220110	BRIGHAM AND WOMEN'S HOSPITAL	14484	$473,137,086	12,121,725	$39.0322	
220108	MILTON HOSPITAL	14484	$27,137,547	821,247	$33.0443	
220100	SOUTH SHORE HOSPITAL	14484	$115,115,919	3,664,501	$31.4138	
220088	NEW ENGLAND BAPTIST HOSPITAL	14484	$53,613,477	1,485,495	$36.0913	
220086	BETH ISRAEL DEACONESS MEDICAL CENTER	14484	$267,282,572	7,908,038	$33.7988	
220083	DEACONESS GLOVER	14484	$14,327,965	424,289	$33.7694	
220075	MASS EYE & EAR INFIRMARY	14484	$44,957,027	1,473,619	$30.5079	
220074	SOUTHCOAST HOSPITALS GROUP,INC	14484	$244,879,492	8,137,906	$30.0912	
220071	MASS GENERAL HOSPITAL	14484	$591,244,349	16,638,927	$35.5338	
220067	QUINCY MEDICAL CENTER	14484	$42,259,133	1,393,465	$30.3267	
220060	JORDAN HOSPITAL	14484	$59,018,519	1,785,499	$33.0544	
220052	BROCKTON HOSPITAL	14484	$77,098,418	2,365,266	$32.5961	
220036	ST. ELIZABETH'S MEDICAL	14484	$105,795,784	3,154,682	$33.5361	
220031	BOSTON MEDICAL CENTER - EAST NEWTON	14484	$251,106,019	6,782,049	$37.0251	
220017	CARNEY HOSPITAL	14484	$51,210,911	1,638,490	$31.2550	
14484	**Boston-Quincy, MA**		**$2,805,360,390**	**81,092,258**	**$34.5947**	1.1689
90%						
220074						
14484						

June 8, 2006

Boston Organization of Teaching Hospital Financial Officers

Comments to Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates
CMS-1488-P, Federal Register, April 25, 2007
"Geographic Reclassifications" / Multi-Campus Hospitals

Attachment B

Table 2: Apportionment of Southcoast Hospital wage data by campus, by wage area

Distribution of Beds by Campus / Wage Area.

Source: Hospital License for Southcoast Hospitals Group, Inc. issued by the Department of Public Health, Commonwealth of Massachusetts (see Appendix A)

Campus	County	CBSA	Beds *	% of Total Beds
Main Provider:				
Tobey, Wareham, MA	Plymouth County	Boston	64	9.36%
Other Providers				
Charlton Memorial, Fall River, MA	Bristol County	Providence	296	43.27%
St. Luke's, New Bedford, MA	Bristol County	Providence	324	47.37%
		Subtotal	620	90.64%
Total			684	
	Reconciliation			
Beds exclude Psychiatric and Rehabilitation		Psychiatric	32	
		Rehabiliation	32	
	Total for Reconciliation to DPH License		748	

Apportionment of Salaries and Wages to Wage Areas

Provider #	Hospital Name	CBSA FY2007	FY2007 Sal 3.9.2006	FY2007 Hours 3.9.2006	FY2007 AHW 3.9.2006
Total Salaries and Hours, all campuses:					
220074	SOUTHCOAST HOSPITALS GROUP,INC	14484	$244,879,492	8,137,906	$30.0912
Percent by CBSA					
	Providence	90.64%			
	Boston (Main Provider)	9.36%			
Net Salaries and Hours by CBSA					
	Providence		221,966,791	7,376,465	30.0912
	Boston		22,912,701	761,442	30.0912

Boston Organization of Teaching Hospital Financial Officers

Comments to Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates
CMS-1488-P, Federal Register, April 25, 2007
"Geographic Reclassifications" / Multi-Campus Hospitals

Attachment B

Table 3: Calculation of Proposed Threshold Test

NAHW CMS file of 3/9/2006 (Estimated) $29.5959

Provider #	Hospital Name	CBSA FY2007	FY2007 Sal 3.9.2006	FY2007 Hours 3.9.2006	FY2007 AHW 3.9.2006	Est. WI
220074	SOUTHCOAST HOSPITALS GROUP,INC Main Provider Campus	14484	$22,912,701	761,442	$30.0912	
220154	SOLDIERS' HOME CHELSEA	14484	$6,073,443	170,658	$35.5883	
220126	CARITAS NORWOOD HOSPITAL	14484	$63,359,541	1,988,213	$31.8676	
220119	FAULKNER HOSPITAL	14484	$53,672,753	1,737,045	$30.8989	
220116	NEW ENGLAND MEDICAL CTR	14484	$196,364,378	5,369,814	$36.5682	
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220083	DEACONESS GLOVER	14484	$14,327,965	424,289	$33.7694	
220075	MASS EYE & EAR INFIRMARY	14484	$44,957,027	1,473,619	$30.5079	
220071	MASS GENERAL HOSPITAL	14484	$591,244,349	16,638,927	$35.5338	
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220036	ST. ELIZABETH'S MEDICAL	14484	$105,795,784	3,154,682	$33.5361	
220031	BOSTON MEDICAL CENTER - EAST NEWTON	14484	$251,106,019	6,782,049	$37.0251	
220017	CARNEY HOSPITAL	14484	$51,210,911	1,638,490	$31.2550	
14484	**Boston-Quincy, MA excluding Southcoast Bristol Campuses**		**$2,583,393,599**	**$73,715,793**	**$35.0453**	1.1841
90%						
14484	**Boston-Quincy, MA including Southcoast Bristol Campuses**		**$2,805,360,390**	**81,092,258**	**$34.5947**	1.1689
	% Change in AWI of Main Provider Wage Area					-1.29%
			Greater than 0.5 Percent?			**Yes**
			Revised Main Provider Area AWI			**1.1841**

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop C3-01-20
Baltimore, Maryland 21244-1850
Telephone 410-786-3176 Facsimile 410-786-0043

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

Office of the Attorney Advisor

JUN - 1 2006

Mr. Dale Baker
Baker Healthcare Consulting, Inc.
Suite 2000, Box 82058
One American Square
Indianapolis, IN 46282

Re: Bristol County (MA) Hospital Group, MGCRB Case No. 07G0047

Dear Mr. Baker:

Enclosed is a copy of the Administrator's amended decision in the above case reversing the decision of the Medicare Geographic Classification Review Board. This constitutes the final administrative decision of the Secretary of Health and Human Services and is not subject to judicial review.

Sincerely yours,

Jacqueline R. Vaughn
Attorney Advisor

Enclosure

Boston Organization of Teaching Hospital Financial Officers
Attention: CMS-1488-P, June 8, 2006 Comments
Atachment: C

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR MEDICARE & MEDICAID SERVICES

IN THE CASE OF:

Bristol County (MA) Hospital Group	MGCRB Case No. 07G0047
Provider Nos. 22-0008, 22-0020, 22-0073 And 22-0074	Date of MGCRB Decision: February 1, 2006

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This case is before the Administrator, Centers for Medicare & Medicaid Services (CMS), for amendment of the Administrator's decision following review of the decision by the Medicare Geographic Classification Review Board (MGCRB). This review is pursuant to the regulatory period of 42 CFR 412.278(g)(1). The Hospital Group and CMS' Center for Medicare Management (CMM) submitted comments requesting that the Administrator amend the decision. Accordingly, the decision is now before the Administrator for final agency review.

In this case, the Group is located in Bristol County Group which is located in the Providence-New Bedford-Fall River, Rhode Island (RI)-Massachusetts (MA) Core-based Statistical Area (CBSA) (Providence CBSA). The Group requested reclassification to the Boston-Quincy, MA CBSA (Boston CBSA) for purposes of using that area's wage index to determine its payment rate under the Medicare inpatient prospective payment system (IPPS).

By letter, dated May 24, 2006, the Hospitals' requested that the Administrator amend the decision in the above captioned case. The Hospitals claimed that its congressional delegation requested OMB to include the Providence-New Bedford-Fall River, RI-MA CBSA in the Boston CSA.

In addition, CMM submitted comments requesting that the Administrator amend the decision. CMM, incorporating OMB Bulletin No. 06-01 Correction in its comments, noted that the Correction included the Providence CBSA as part of the Boston CSA. Thus, CMM concluded that the evidence shows on its face that the subject Group meets the regulatory requirements.

The Administrator notes that, as the record shows, the Group's congressional delegation requested OMB to include the Providence CBSA in the Boston CSA. OMB has issued a correction to Bulletin No. 06-01 including the Providence CBSA in the Boston CSA. Under the

limited circumstances of this case, the Administrator finds that amendment of the Administrator's decision is appropriate. Pursuant to the OMB Bulletin No. 06-01 correction, the Group is located in a county that is in the same CSA as the requested Boston CBSA. Thus, the Group meets the criteria for redesignation to the Boston CBSA.

DECISION

Accordingly, the decision of the MGCRB is reversed. The Group is reclassified.

THIS CONSTITUTES THE FINAL ADMINISTRATIVE DECISION OF THE SECRETARY OF HEALTH AND HUMAN SERVICES

Date: 5/22/06

Leslie V. Norwalk, Esq.
Deputy Administrator
Centers for Medicare & Medicaid Services

Boston Organization of Teaching Hospital Financial Officers

Comments to Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates
CMS-1488-P, Federal Register, April 25, 2007
"Geographic Reclassifications" / Multi-Campus Hospitals

Attachment D

Impact of FY 2007 Reclassification of Bristol County Campuses to Boston CBSA on Boston CBSA Area Wage Index

Table 1: Apportionment of salaries and hours by campus, by wage area

Distribution of Beds by Campus / Wage Area.

Source: Hospital License for Southcoast Hospitals Group, Inc. issued by the Department of Public Health, Commonwealth of Massachusetts (see Attachment to June 8, 2006 email to Marc Hartstein)

Campus	County	CBSA	Beds *	% of Total Beds
Main Provider:				
Tobey, Wareham, MA	Plymouth County	Boston	64	9.36%
Other Providers				
Charlton Memorial, Fall River, MA	Bristol County	Providence	296	43.27%
St. Luke's, New Bedford, MA	Bristol County	Providence	324	47.37%
		Subtotal	620	90.64%
Total			684	
	Reconciliation			
*Beds exclude Psychiatric and Rehabilitation		Psychiatric	32	
		Rehabiliation	32	
	Total for Reconciliation to DPH License		748	

Apportionment of Salaries and Wages to Wage Areas

Provider #	Hospital Name	CBSA FY2007	FY2007 Sal 3.9.2006	FY2007 Hours 3.9.2006	FY2007 AHW 3.9.2006
Total Salaries and Hours, all campuses:					
220074	SOUTHCOAST HOSPITALS GROUP,INC	14484	$244,879,492	8,137,906	$30.0912
Percent by CBSA					
	Providence	90.64%			
	Boston (Main Provider)	9.36%			
Net Salaries and Hours by CBSA					
	Bristol County (Providence CBSA)		221,966,791	7,376,465	30.0912
	Boston		22,912,701	761,442	30.0912

Boston Organization of Teaching Hospital Financial Officers

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Table 2: Calculation of Impact of Adding Southcoast Bristol County Campuses to Boston CBSA

Baseline March 9, 2006 PUF AWI Salary and Hours Data, Revised to include only wage data of Southcoast's Plymouth (Boston CBSA) campus

NAHW **CMS file of 3/9/2006 (Estimated)** **$29.5959**

Provider #	Hospital Name	CBSA FY2007	FY2007 Sal 3.9.2006	FY2007 Hours 3.9.2006	FY2007 AHW 3.9.2006	Est. WI
220154	SOLDIERS' HOME CHELSEA	14484	$6,073,443	170,658	$35.5883	
220126	CARITAS NORWOOD HOSPITAL	14484	$63,359,541	1,988,213	$31.8676	
220119	FAULKNER HOSPITAL	14484	$53,672,753	1,737,045	$30.8989	
220116	NEW ENGLAND MEDICAL CTR	14484	$196,364,378	5,369,814	$36.5682	
220111	GOOD SAMARITAN HOSPITAL	14484	$67,706,057	2,031,332	$33.3309	
220110	BRIGHAM AND WOMEN'S HOSPITAL	14484	$473,137,086	12,121,725	$39.0322	
220108	MILTON HOSPITAL	14484	$27,137,547	821,247	$33.0443	
220100	SOUTH SHORE HOSPITAL	14484	$115,115,919	3,664,501	$31.4138	
220088	NEW ENGLAND BAPTIST HOSPITAL	14484	$53,613,477	1,485,495	$36.0913	
220086	BETH ISRAEL DEACONESS MEDICAL CENTER	14484	$267,282,572	7,908,038	$33.7988	
220083	DEACONESS GLOVER	14484	$14,327,965	424,289	$33.7694	
220075	MASS EYE & EAR INFIRMARY	14484	$44,957,027	1,473,619	$30.5079	
220074	SOUTHCOAST HOSPITALS GROUP,INC (Boston CBSA Campus)	14484	$22,912,701	$761,442	$30.0912	
220071	MASS GENERAL HOSPITAL	14484	$591,244,349	16,638,927	$35.5338	
220067	QUINCY MEDICAL CENTER	14484	$42,259,133	1,393,465	$30.3267	
220060	JORDAN HOSPITAL	14484	$59,018,519	1,785,499	$33.0544	
220052	BROCKTON HOSPITAL	14484	$77,098,418	2,365,266	$32.5961	
220036	ST. ELIZABETH'S MEDICAL	14484	$105,795,784	3,154,682	$33.5361	
220031	BOSTON MEDICAL CENTER - EAST NEWTON	14484	$251,106,019	6,782,049	$37.0251	
220017	CARNEY HOSPITAL	14484	$51,210,911	1,638,490	$31.2550	
14484	**Boston-Quincy, MA**		**$2,583,393,599**	**$73,715,793**	$35.0453	1.1841
	Southcoast Bristol Campuses		**$221,966,791**	**7,376,465**	$30.0912	1.0167
			$2,805,360,390	**$81,092,258**	$34.5947	1.1689

Boston CBSA AWI excluding Southcoast Bristol Campuses	1.18412644
Boston CBSA AWI including Southcost Bristol Campuses	1.16889987
Percentage reduction in Boston CBSA AWI including Bristol Campuses	**-1.29%**

WEST PENN ALLEGHENY HEALTH SYSTEM

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June 12, 2006

320 EAST NORTH AVENUE, PITTSBURGH, PA 15212
412-359-3131

Centers for Medicare and Medicaid Service
Department of Health and Human Services
Attention: CMS-1488—P
Mail Stop C4-26—05
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: Comment on IPPS Proposed Rule FFY 07

HSRV Weights and Severity Adjustment to DRGs

Re: Hard Copy of Comment Submitted #84677

Dear Administrator McClellan:

The West Penn Allegheny Health System (WPAHS) welcomes this opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS or the Agency) proposed rule entitled *"Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems [IPPS] and Fiscal Year 2007 Rates."* 71 Fed. Reg. 23996 (April 25, 2006). The WPAHS comprises 5 General Acute Care hospitals (2 major teaching facilities) that receive Medicare payments under the IPPS.

This letter focuses primarily on the proposed changes to the diagnosis-related group (DRG) weighting and re-classification, as well as the potential impact of this implementation.

The WPAHS applauds CMS for looking at ways to implement methodologies to equitably reimburse providers for the differences in the cost of care. Overall, The WPAHS does not conceptually oppose moving from a charge to a cost-based DRG weighting methodology; nor does it conceptually oppose the move to a severity adjusted DRG based classification system, it is the manner by which these two significant changes are being implemented that are at issue. We believe the intended consequence of removing the incentives and the overpayments for Hospitals that specialized in certain high paying, high margin cases, such as Specialty Cardiovascular Hospitals, will be realized with these changes (per Medpac's recommendations) , but we also believe that these policies are disproportionately impacting hospitals that are not considered Specialty Hospitals but treat and perform a higher proportion of Cardiovascular and Surgical Cases. Hospitals, for example, that offer a full breadth of services including Medical, Cardiovascular and Surgical are more likely to be negatively impacted by the decreased payments in Cardiovascular and Surgical services than the gain they would realize in payments for Medical Services.

We believe that a one-year postponement is necessary to allow for further analyses to address data and computation issues and to ensure that the best possible methodology ultimately is implemented. We are concerned that the use of a National Cost to Charge Ratio is flawed and should be revised to exclude Specialty Non Teaching Hospitals. We also support refinement of the DRGs but believe that the proposed consolidated severity-adjusted DRGs (CS-DRGs) require further examination and likely modifications before implementation.

We also believe an equitable floor and ceiling be implemented so that the impact of the HSRV weighting can be planned for appropriately. The shifting of funding in such a short term without a transitional period and/or imposed ceilings and floors will cause additional financial hardships to Teaching Facilities that are already bearing a disproportionate share of payment cuts going back to the Balanced Budget Act of 1997. Because of these proposed policy shifts in the proposed rule related to the DRG payment system, there will likely be a redistribution of over a billion dollars in Medicare payments among hospitals, and thus excluding a significant transition period would be shortsighted and will result in unintended consequences that could have been avoided with a well thought out plan for implementation.

The financial impacts aside, operational and systematic changes will need to occur and cannot be accomplished in the short time that CMS is allowing for these provisions to be implemented.

PROPOSED CHANGES TO THE DRG WEIGHTING AND CLASSIFICATION METHODOLOGIES

Because it has approximately 42 million beneficiaries, the vast majority of who are over 65, the importance of the Medicare program to hospitals and the health care system generally is self-evident. Consequently, significant changes to the program, such as those proposed, have a profound effect. Moreover, one must also keep in mind that many Medicaid and private sector payers follow Medicare's payment methodology. This ripple effect reinforces the imperative that significant changes to the Medicare system, like the DRG weighting and classification changes, must be subjected to comprehensive and thorough analysis to ensure that the goals of the intended policy change are met without undue stress to the system.

Current System

Under the IPPS, Medicare pays hospitals a per case payment that varies according to which diagnosis-related group (DRG) the case is assigned and the DRG's payment "weight." Each weight is intended to represent the average hospital resources required to treat a case within a DRG compared to the average required per case resources across all DRGs. Thus, cases that require higher levels of resources, on average, will have higher weights than cases that require relatively lower levels of average resources.

Cases are assigned to one of 526 DRGs, predominantly based on the patient's principal diagnosis, up to eight additional diagnoses, and up to six procedures performed during the stay. The determination of which case types comprise a DRG is based on both clinical coherence and similar resource consumption. Hospitals do not decide to which DRG a case is assigned. Rather the assignment is done by the Medicare GROUPER software program, based on the diagnosis and procedure code information provided by the hospital.

Currently, the DRG weights are based on medical allowable charges per discharge. These charges are standardized to remove the effects of differences in area wage levels, IME and DSH payments, and for hospitals in Alaska and Hawaii, the applicable cost-of living adjustment.

An average standardized charge per DRG is then calculated by summing the standardized charges for all cases in the DRG (excluding those cases whose charges are viewed as unreasonable based on statistical tests) and dividing by the number of transfer-adjusted cases in the DRG. Each DRG's average standardized charge per case is then divided by the national average standardize charge per case to determine its relative weight.

Proposed Changes

Under the proposed rule, in FY 2007, Medicare would move to a "hospital-specific relative value cost center" (HSRVcc) DRG weighting methodology. In FY 2008 ("if not earlier" according to the proposed rule) the current 526 DRGs would be replaced by 861 "consolidated severity adjusted DRGs" (CS-DRGs). According to the proposed rule press release, these two proposals represent the "first significant revision of the Inpatient Prospective Payment System (IPPS) since its implementation in 1983."

Proposed HSRVcc DRG Weighting Methodology

The HSRVcc methodology is an alternative to a weighting methodology that has been recommended by the Medicare Payment Assessment Commission (MedPAC) (See *March 2005 Report to the Congress: Physician-Owned Specialty Hospitals*). It involves two basic steps. The concept underlying the first step is to create "relative values" for each hospital. This is attempted by dividing the hospital's average charge per case for each DRG for each of 10 cost centers by the average charge for that cost center for all of the hospital's cases. The result is 10 relative weights for each DRG for each hospital. These weights are then aggregated to the national level so that there are 10 cost center relative charge weights for each DRG.

The second step involves blending the 10 relative weights for each DRG through a "scaling" process, in which the contribution of each of the 10 cost center relative weights to the final, single DRG weight depends upon that cost center's estimated national costs relative to total costs (the sum of all of the cost centers). The estimated costs are derived by multiplying national average cost-to-charge ratios (CCRs) by national total charges for each cost center. The resulting estimated costs for each cost center are then summed to obtain an overall cost number. "Scaling" factors are then obtained by taking the estimated costs for each cost center and dividing by national total estimated costs.

Consolidated Severity Adjusted DRGs (CS-DRGs)

The 861 CS-DRGs represent a consolidated list of the 1,258 "All Patient Refined" DRGs (APR DRGs) designed by 3M Health Information Systems. The major feature that distinguishes APR-DRGs, are four severity illness subclasses (minor, moderate, major and extreme) for each base DRG. The determination of the severity subclass is based on an 18-step process that takes into account secondary diagnoses, principal diagnosis, age and procedures. The APR DRG structure does not currently accommodate case distinctions based on complexity, such as the use of devices, drugs, and equipment which could significant increase treatment costs (71 Fed. Reg. 24014).

The consolidation of the APR DRGs to the CS-DRGs is largely the result of combining severity subclass four across the entirety of APR DRGs into fewer groups (from 262 to 69). Compared to the current DRGs, the net result of CS-DRGs is a substantial re-arrangement of the current base DRGs and the addition of severity classes.

Analyzing the Proposed Changes

Despite the obvious complexity associated with the methodology, combined with the major financial impacts associated with the resultant DRG weight changes, hospitals were given only 60 days to review and comment on the proposed rule changes. During this period, WPAHS and our State Hospital Association (HAP) have conducted numerous analyses to try to understand the policy goal of the proposals, the underlying methodologies, and the resulting impacts. The impact of the HSRV weighting change is projected to be a reduction in payments of $2.8 Million with the Tertiary Teaching facilities in the WPAHS experiencing a significant reduction. Severity adjusting DRGs is projected to impact our member hospitals negatively by an additonal $2.9 Million annually after or if budget neutrality is removed. These types of significant reductions in payments will have an adverse impact on not only our ability to fund our operations adequately, but also will impact our ability to replace clinical equipment on a timely basis.

Overall Impact of the Proposed Changes

While the proposed rule changes are budget-neutral, if implemented, over a billion dollars in Medicare payments would be significantly redistributed among hospitals as well as among DRGs. Of the 20 hospitals facing the greatest payment reductions in 2007 under the HSRVcc system, 19 are teaching institutions. As a group, the 266 members of the AAMC's Council of Teaching Hospitals and Health Systems (COTH) that are subject to the IPPS, would face an estimated net payment reduction of 1.7 percent, or approximately $413 million dollars. WPAHS COTH Teaching facilities will have payment reduced by $8.1 Million once fully implemented and budget neutrality adjustments are removed. (See the attached for projected impact to WPAHS Teaching Facilities).

Adding CS-DRGs would ameliorate the payment reductions for COTH members as a group, from -1.7 percent to -0.8 percent, but a full 36 percent of COTH members would see reductions under both the HSRVcc and CS-DRG changes. WPAHS hospitals are no exception.

At the DRG level, the proposed rule notes that a number of DRGs would experience payment reductions, particularly DRGs involving cardiac care. For example, cardiac procedures involving stents, both drug eluting and non drug eluting, would see payment reductions. We are concerned about such drastic reductions for these and other cardiac procedures. While, the payment reductions could "potentially reduce the incentives . . . for the further development of specialty hospitals" (71 Fed. Reg. at 24006), we are concerned that the reductions also would significantly affect community and teaching hospitals that do significant amounts of cardiac care. Unlike many specialty hospitals, however, these hospitals have emergency rooms, treat significant numbers of Medicaid and uninsured patients, and also accept complex cardiac cases.

At the same time, we recognize and appreciate that a number of more "routine" DRGs, such as pneumonia, would see payment increases. These cases often result from emergency room admissions, which disproportionately occur in teaching and other safety net hospitals.

The WPAHS Overarching Views of the Proposed Changes

To the extent that changes are offered that are intended to improve the payment system, they must be carefully analyzed and assessed. Because such budget-neutral changes naturally result in payment "winners" and losers" it is critical that the underlying policy rationale for the change be sound and, if that test is met, implementation of that change be accomplished with a methodology that best achieves the policy goal. Finally, because Medicare is a critical revenue source for hospitals, to the extent the changes result in significant payment reductions, these reductions must be phased in over a reasonable period so that hospitals have time to transition to the new system without experiencing significant and relatively unexpected disruptions to operations.

1. The WPAHS is not opposed to moving to a DRG weighting methodology based on the costs of providing care, so long as it improves the accuracy of the payment system and the methodology is sound, stable, and reliable.

We support the idea of moving to cost-based weights, despite the fact that a number of major teaching hospitals would likely see payment reductions. However, a change of this magnitude cannot be entered into precipitously.

While seemingly a simple concept, developing "cost based" weights is actually a complex undertaking. Unlike other industries, the costs of providing hospital care cannot be identified directly. Consequently, these costs must be "estimated" using cost-to-charge ratios (CCRs) that are reported on hospitals' Medicare cost reports and applying them to charge amounts that are reported on Medicare claims. However, even then, there are various ways of utilizing the CCRs and implementing a cost-based methodology. The methodology developed by the Medicare Payment Advisory Commission (MedPAC) is significantly different than the HSRVcc methodology. In addition there are modifications to both of these methodologies that should also be considered.

We believe more work is needed to determine the best way to develop cost-based weights. We are committed to working with CMS and other hospital organizations to identify an appropriate methodology.

2. The WPAHS is in favor of refining the DRGs to better reflect patient severity and complexity, but we have serious concerns whether the proposed CS-DRGs achieve this goal. Further study, and likely changes, to CMS's proposed CS-DRGS are needed.

We appreciate CMS's recognition of the need to better account for patient severity in the IPPS (71 Fed. Reg. at 24026). It is important that the DRG classification system reflect those cases that involve the sickest and most complex Medicare patients. As common sites of care for these patients, ensuring that these cases are assigned to DRGs that adequately reflect the resources needed is a fundamental principle for major teaching hospitals.

We have concerns, however, about the proposed CS-DRGs, in part because they reflect patient severity only and do not recognize service complexity. CMS agrees with these concerns, stating "a method of recognizing technologies that represent increased complexity should be included in the system." (71 Fed. Reg. 24014). We are very interested in the proposed rule statement that CMS plans to "develop criteria for determining when it is appropriate to recognize increased complexity in the structure of the DRG system and how these criteria interact with the existing statutory provisions for new technology add-on payments." (Ibid). How CMS determines these criteria and their resultant impact on the classification system will have important implications for the IPPS.

3. Implementation of a "cost-based" DRG weighting methodology should be postponed for one year to allow for further work. This change should then be implemented simultaneously with an appropriate expansion of the current DRGs.

As discussed above, and below, additional analysis is needed before a significant change to the DRG weights can be implemented. Consequently, we believe that the implementation of any such changes should not occur on October 1, 2006 but rather should be postponed for one year. A one year delay would also allow for the simultaneous implementation of the new weighting methodology with refined DRGs. Each of these changes significantly redistributes payments, often in off-setting ways. Implementing both together would minimize the volatility associated with two separate changes.

4. A significant transition period must accompany these changes.

We appreciate the proposed rule's request for comments regarding a transition period (71 Fed. Reg. 24028).

Historically, Medicare changes of significant magnitude have included some type of transition period. For example, the move to a PPS for capital was transitioned in over a 10-year period. Other changes that were accompanied by transitions include: implementation of the operating IPPS (four years), eliminating day outliers (four years), and removing the costs of teaching physicians and residents in the calculation of the wage index (four years).

While it is unclear what an appropriately devised new DRG classification and weighting system might look like, it is obvious that such a change will still involve the redistribution of hundreds of millions of dollars. Accordingly a significant transition period must accompany any final changes.

THE OUTLIER PAYMENT THRESHOLD

Under the Medicare inpatient prospective payment system, if the costs of a particular Medicare case exceed the relevant DRG operating and capital payment (including any disproportionate share (DSH), IME, or new technology add-on payments) plus an outlier threshold, the hospital will receive an outlier payment. This payment equals 80 percent of the case's costs above the threshold calculation.

The outlier fixed-loss cost threshold is set at a level that is intended to result in outlier payments that are between 5 and 6 percent. Outlier payments are budget-neutral. Each year the Agency reduces the inpatient standardized amount by 5.1 percent and estimates a cost threshold that should result in outlier payments that equal 5.1 percent.

The proposed rule would increase the fixed-loss cost threshold for outlier payments to be equal to a case's DRG payment plus any IME and DSH payments, and any additional payments for new technologies, plus a $25,530 outlier threshold, an increase of 8.2 percent over the FFY 2006 threshold of $23,600.

CMS proposes an increase to the threshold even though the Agency estimates that outlier payments for FFY 2006 will represent only 4.71 percent of actual total DRG payments. Further, CMS estimates that outlier payments represented only 4.1 percent of total DRG payments in FFY 2005 and, according to the August 12, 2005 final rule, only 3.52 percent of total DRG payments in FFY 2004 (70 Fed. Reg. 47496). Because outlier payments were less than the 5.1 percent reduction to the standardized amount, the result is less total Medicare payments to hospitals in all three consecutive years, contrary to the intent of the outlier payment policy.

We believe the FFY 2007 cost threshold must be reduced. CMS relies only on charge inflation to determine projected increases in per case costs, which determines outlier payment outlays.

Sincerely,

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Attachments:

Attachment A: Impact of Re-Weighting of DRGs and Severity Adjustment Summary
Attachment B: Impact of Re-Weighting by WPAHS Hospital
Attachment C: Hospital Association of Pennsylvania Impace Statements – WPAHS Hospitals

Impact By Hospital --Medicare Proposed Rule---FFY 07 Impact of Weight Changes--
Prepared: *4/27/2006*

Attachment A

Impact to WPAHS FFY 07 due to H

	FFY 06 Grp 23 (Before) CMI	*FFY 07 Grp 24 (After) CMI*	*% Change*	*Impact 9 Mos Revenues*	*Impact 12 Mos Revenues*
AGH	2.07	2.02	-2.71%	$ (2,251,852)	$ (3,002,469)
AKMC	1.28	1.33	4.21%	$ 1,271,111	$ 1,694,815
CGH	1.27	1.33	4.04%	$ 468,256	$ 624,341
FRC	1.28	1.33	4.44%	$ 1,412,206	$ 1,882,942
WPC	2.03	1.93	-5.14%	$ (2,990,442)	$ (3,987,256)
Total	1.70	1.69	-0.98%	$ (2,090,721)	$ (2,787,627)

Impact to WPAHS FFY 07 due to S

	FFY 06 Grp 23 (Before) CMI	*FFY 07 Grp 24 (After) CMI*	*% Change*	*Impact 9 Mos Revenues*	*Impact 12 Mos Revenues*
AGH	2.07	2.11	1.50%	$ 1,403,520	$ 1,871,360
AKMC	1.28	1.25	-2.50%	$ (849,033)	$ (1,132,044)
CGH	1.27	1.24	-2.60%	$ (338,714)	$ (451,618)
FRC	1.28	1.27	-0.40%	$ (143,027)	$ (190,703)
WPC	2.03	1.96	-3.40%	$ (2,241,272)	$ (2,988,363)
Total	1.70	1.69	-0.90%	$ (2,168,527)	$ (2,891,369)

Total Impact in Year One if HSRV and Severity DRGS are Passed.

	Impact 9 Mos Revenues	*Impact 12 Mos Revenues*
AGH	$ (848,332)	$ (1,131,109)
AKMC	$ 422,078	$ 562,771
CGH	$ 129,542	$ 172,722
FRC	$ 1,269,179	$ 1,692,239
WPC	$ (5,231,714)	$ (6,975,619)
Total	$ (4,259,247)	$ (5,678,996)

**excludes additional impact on DSH and IME*
***Volumes include impact of Medicare Managed Care*
HSRV Impacts based on volumes for a 6 month period and extrapolated for 9 and 12 months.
Severity Adjustment impact are based on the avg CMI Impact Provided by HAP (the Hospital Association of PA) applied to WPAHS Volumes

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CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AGH
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
1	DRG 1 CRANIOTOMY AGE >17 W CC	3.5289	3.4347	0.0942	2.74%	239.97	233.56	6.41	$ 4,905.42	$ 31,422
2	DRG 2 CRANIOTOMY AGE >17 W/O CC	1.9870	1.9587	0.0283	1.44%	37.75	37.22	0.54	$ 4,905.42	$ 2,638
7	DRG 7 PER/CRAN/OTH NERV W/ CC	2.5775	2.6978	-0.1203	-4.46%	46.40	48.56	(2.17)	$ 4,905.42	$ (10,622)
8	DRG 8 PER/CRAN/OTH NERV W/O CC	1.4057	1.5635	-0.1578	-10.09%	4.22	4.69	(0.47)	$ 4,905.42	$ (2,322)
9	DRG 9 SPINAL DISORDERS & INJURIES	1.4543	1.4045	0.0498	3.55%	5.82	5.62	0.20	$ 4,905.42	$ 977
10	DRG 10 NERVOUS SYSTEM NEOPLASMS W CC	1.2513	1.2222	0.0291	2.38%	26.28	25.67	0.61	$ 4,905.42	$ 2,998
11	DRG 11 NERVOUS SYSTEM NEOPLASMS W/O CC	0.8359	0.8736	-0.0377	-4.32%	2.51	2.62	(0.11)	$ 4,905.42	$ (555)
12	DRG 12 DEGENERATIVE NERV SYS DISORDERS	1.0105	0.8998	0.1107	12.30%	30.32	26.99	3.32	$ 4,905.42	$ 16,291
13	DRG 13 MULT SCLEROSIS/CEREBELLAR ATAXIA	0.9266	0.8575	0.0691	8.06%	6.49	6.00	0.48	$ 4,905.42	$ 2,373
14	DRG 14 INTRACRAN HEMOR OR CEREBRA INFAR	1.2480	1.2456	0.0024	0.19%	208.42	208.02	0.40	$ 4,905.42	$ 1,966
15	DRG 15 NONSPE CVA/PRECER OCCLU W/O INFA	0.9170	0.9421	-0.0251	-2.66%	7.34	7.54	(0.20)	$ 4,905.42	$ (985)
16	DRG 16 NONSPEC CEREBROVASC DISOR W CC	1.3632	1.3351	0.0281	2.10%	21.81	21.36	0.45	$ 4,905.42	$ 2,205
17	DRG 17 NONSPEC CEREBROVASC DISOR W/O CC	0.6692	0.7229	-0.0537	-7.43%	1.34	1.45	(0.11)	$ 4,905.42	$ (527)
18	DRG 18 CRAN/PER NERV DISOR W CC	1.0501	0.9903	0.0598	6.04%	21.00	19.81	1.20	$ 4,905.42	$ 5,867
19	DRG 19 CRAN/PER NERV DISOR W/O CC	0.7128	0.7077	0.0051	0.72%	2.85	2.83	0.02	$ 4,905.42	$ 100
20	DRG 20 NERV INFECTN EXC VIRAL MENINGITI	2.7596	2.7865	-0.0269	-0.97%	5.52	5.57	(0.05)	$ 4,905.42	$ (264)
21	DRG 21 VIRAL MENINGITIS	1.4536	1.4451	0.0085	0.59%	1.45	1.45	0.01	$ 4,905.42	$ 42
22	DRG 22 HYPERTENSIVE ENCEPHALOPATHY	1.2386	1.1304	0.1082	9.57%	3.72	3.39	0.32	$ 4,905.42	$ 1,592
23	DRG 23 NONTRAUMATIC STUPOR & COMA	0.8423	0.7712	0.0711	9.22%	0.84	0.77	0.07	$ 4,905.42	$ 349
24	DRG 24 SEIZURE & HEADACHE AGE >17 W CC	1.0388	0.997	0.0418	4.19%	30.13	28.91	1.21	$ 4,905.42	$ 5,946
25	DRG 25 SEIZURE+HEADACHE AGE >17 W/O CC	0.6436	0.618	0.0256	4.14%	12.87	12.36	0.51	$ 4,905.42	$ 2,512
27	DRG 27 TRAU STUPOR/COMA>1 HR	1.4281	1.3531	0.075	5.54%	48.56	46.01	2.55	$ 4,905.42	$ 12,509
28	DRG 28 TRAU STUP/COM<1 HR AGE>17 W CC	1.4037	1.3353	0.0684	5.12%	70.19	66.77	3.42	$ 4,905.42	$ 16,777
29	DRG 29 TRAU STUP/COM<1 HR AGE>17 W/O CC	0.7658	0.7212	0.0446	6.18%	4.59	4.33	0.27	$ 4,905.42	$ 1,313
31	DRG 31 CONCUSSION AGE >17 W CC	0.9511	0.9567	-0.0056	-0.59%	5.71	5.74	(0.03)	$ 4,905.42	$ (165)
32	DRG 32 CONCUSSION AGE >17 W/O CC	0.5859	0.6194	-0.0335	-5.41%	2.93	3.10	(0.17)	$ 4,905.42	$ (822)
34	DRG 34 OTH DISOR-NERV SYS W CC	1.0347	1.0062	0.0285	2.83%	13.45	13.08	0.37	$ 4,905.42	$ 1,817
35	DRG 35 OTH DISOR-NERV SYS W/O CC	0.6453	0.6241	0.0212	3.40%	2.58	2.50	0.08	$ 4,905.42	$ 416
36	DRG 36 RETINAL PROCEDURES	0.7936	0.7288	0.0648	8.89%	0.79	0.73	0.06	$ 4,905.42	$ 318
37	DRG 37 ORBITAL PROCEDURES	1.2193	1.1858	0.0335	2.83%	2.44	2.37	0.07	$ 4,905.42	$ 329
40	DRG 40 EXTRAOC PROC EXC ORBIT AGE >17	1.1061	0.9627	0.1434	14.90%	1.11	0.96	0.14	$ 4,905.42	$ 703
42	DRG 42 INTRAOC PRC EXC RETINA/IRIS/LENS	0.9264	0.7852	0.1412	17.98%	3.71	3.14	0.56	$ 4,905.42	$ 2,771
44	DRG 44 ACUTE MAJOR EYE INFECTIONS	0.8191	0.6874	0.1317	19.16%	0.82	0.69	0.13	$ 4,905.42	$ 646

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
46	DRG 46 OTH DISOR-EYE AGE >17 W CC	0.8135	0.7524	0.0611	8.12%	1.63	1.50	0.12	$ 4,905.42	$ 599
49	DRG 49 MAJOR HEAD & NECK PROCEDURES	1.7653	1.6361	0.1292	7.90%	3.53	3.27	0.26	$ 4,905.42	$ 1,268
53	DRG 53 SINUS & MASTOID PROC AGE >17	1.2984	1.3269	-0.0285	-2.15%	1.30	1.33	(0.03)	$ 4,905.42	$ (140)
55	DRG 55 MISC EAR NOSE & THROAT PROC	0.9555	0.9597	-0.0042	-0.44%	0.96	0.96	(0.00)	$ 4,905.42	$ (21)
56	DRG 56 RHINOPLASTY	0.9535	0.8711	0.0824	9.46%	1.91	1.74	0.16	$ 4,905.42	$ 808
63	DRG 63 OTH EAR/NOSE/THROAT O.R. PROC	1.4153	1.3983	0.017	1.22%	15.57	15.38	0.19	$ 4,905.42	$ 917
64	DRG 64 EAR/NOSE/THROAT MALIG	1.2875	1.1663	0.1212	10.39%	2.58	2.33	0.24	$ 4,905.42	$ 1,189
65	DRG 65 DYSEQUILIBRIUM	0.5799	0.5991	-0.0192	-3.20%	8.70	8.99	(0.29)	$ 4,905.42	$ (1,413)
66	DRG 66 EPISTAXIS	0.6790	0.5958	0.0832	13.96%	3.40	2.98	0.42	$ 4,905.42	$ 2,041
68	DRG 68 OTITIS MEDIA/URI AGE >17 W CC	0.7572	0.6611	0.0961	14.54%	0.76	0.66	0.10	$ 4,905.42	$ 471
69	DRG 69 OTITIS MEDIA/URI AGE >17 W/O CC	0.5706	0.485	0.0856	17.65%	1.14	0.97	0.17	$ 4,905.42	$ 840
72	DRG 72 NASAL TRAUMA & DEFORMITY	0.7502	0.7449	0.0053	0.71%	1.50	1.49	0.01	$ 4,905.42	$ 52
73	DRG 73 OTH EAR/NOSE/THROAT DX AGE >17	0.9140	0.8527	0.0613	7.19%	3.66	3.41	0.25	$ 4,905.42	$ 1,203
75	DRG 75 MAJOR CHEST PROCEDURES	3.0790	3.0732	0.0058	0.19%	147.79	147.51	0.28	$ 4,905.42	$ 1,366
76	DRG 76 OTH RESP SYSTEM O.R. PROC W CC	2.7410	2.883	-0.142	-4.93%	90.45	95.14	(4.69)	$ 4,905.42	$ (22,987)
78	DRG 78 PULMONARY EMBOLISM	1.3229	1.2427	0.0802	6.45%	31.75	29.82	1.92	$ 4,905.42	$ 9,442
79	DRG 79 RESP INFEC/INFL AGE >17 W CC	1.7331	1.6238	0.1093	6.73%	90.12	84.44	5.68	$ 4,905.42	$ 27,880
80	DRG 80 RESP INFEC/INFL AGE >17 W/O CC	1.0190	0.8947	0.1243	13.89%	1.02	0.89	0.12	$ 4,905.42	$ 610
82	DRG 82 RESPIRATORY NEOPLASMS	1.4335	1.3936	0.0399	2.86%	55.91	54.35	1.56	$ 4,905.42	$ 7,633
83	DRG 83 MAJ CHEST TRAUMA W CC	1.1185	0.9828	0.1357	13.81%	4.47	3.93	0.54	$ 4,905.42	$ 2,663
85	DRG 85 PLEURAL EFFUSION W CC	1.2935	1.2405	0.053	4.27%	16.82	16.13	0.69	$ 4,905.42	$ 3,380
86	DRG 86 PLEURAL EFFUSION W/O CC	0.7154	0.6974	0.018	2.58%	0.72	0.70	0.02	$ 4,905.42	$ 88
87	DRG 87 PULMONARY EDEMA & RESP FAILURE	1.5310	1.3654	0.1656	12.13%	122.48	109.23	13.25	$ 4,905.42	$ 64,987
88	DRG 88 CHRONIC OBSTRUCTIVE PULM DISEASE	0.9557	0.8778	0.0779	8.87%	110.86	101.82	9.04	$ 4,905.42	$ 44,327
89	DRG 89 SIMP PNEUM/PLEUR AGE >17 W CC	1.1291	1.032	0.0971	9.41%	114.04	104.23	9.81	$ 4,905.42	$ 48,108
90	DRG 90 SIMP PNEUM/PLEUR AGE >17 W/O CC	0.7043	0.6104	0.0939	15.38%	7.04	6.10	0.94	$ 4,905.42	$ 4,606
92	DRG 92 INTERSTITIAL LUNG W CC	1.2410	1.1853	0.0557	4.70%	7.45	7.11	0.33	$ 4,905.42	$ 1,639
94	DRG 94 PNEUMOTHORAX W CC	1.2852	1.1354	0.1498	13.19%	9.00	7.95	1.05	$ 4,905.42	$ 5,144
96	DRG 96 BRONCH/ASTHMA AGE >17 W CC	0.8093	0.7303	0.079	10.82%	12.14	10.95	1.19	$ 4,905.42	$ 5,813
97	DRG 97 BRONCH/ASTHMA AGE >17 W/O CC	0.6199	0.5364	0.0835	15.57%	4.34	3.75	0.58	$ 4,905.42	$ 2,867
99	DRG 99 RESP SIGNS/SYMPS W CC	0.7101	0.7094	0.0007	0.10%	4.26	4.26	0.00	$ 4,905.42	$ 21
101	DRG 101 OTH RESPIRATORY DXS W CC	0.9106	0.8733	0.0373	4.27%	6.37	6.11	0.26	$ 4,905.42	$ 1,281
103	DRG 103 HEART TRANSPLANT OR IMPL AST SYS	19.5988	18.5617	1.0371	5.59%	19.60	18.56	1.04	$ 4,905.42	$ 5,087

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
104	DRG 104 CARDIAC VALVE PROC W/CATH	7.4447	8.2201	-0.7754	-9.43%	141.45	156.18	(14.73)	$ 4,905.42	$ (72,270)
105	DRG 105 CARDIAC VALVE PROC W/O CATH	5.6619	6.0192	-0.3573	-5.94%	169.86	180.58	(10.72)	$ 4,905.42	$ (52,581)
106	DRG 106 CORONARY BYPASS WITH PTCA	5.9701	7.0346	-1.0645	-15.13%	17.91	21.10	(3.19)	$ 4,905.42	$ (15,665)
108	DRG 108 OTHER CARDIOTHORACIC PROC	5.4207	5.8789	-0.4582	-7.79%	37.94	41.15	(3.21)	$ 4,905.42	$ (15,734)
110	DRG 110 MAJ CARDIOVASCULAR PROC W CC	3.6419	3.8417	-0.1998	-5.20%	331.41	349.59	(18.18)	$ 4,905.42	$ (89,189)
111	DRG 111 MAJ CARDIOVASCULAR PROC W/O CC	2.2318	2.484	-0.2522	-10.15%	24.55	27.32	(2.77)	$ 4,905.42	$ (13,609)
113	DRG 113 AMPUTN-CIRC SYS EXC UPR LIMB/TOE	3.3828	3.1682	0.2146	6.77%	50.74	47.52	3.22	$ 4,905.42	$ 15,791
114	DRG 114 UPR LIMB/TOE AMPUTN-CIRC SYS DIS	1.8874	1.7354	0.152	8.76%	1.89	1.74	0.15	$ 4,905.42	$ 746
117	DRG 117 PACEMKR REVIS EXC DEVICE REPL	1.2528	1.3223	-0.0695	-5.26%	11.28	11.90	(0.63)	$ 4,905.42	$ (3,068)
118	DRG 118 PACEMAKER DEVICE REPL	1.3882	1.638	-0.2498	-15.25%	6.94	8.19	(1.25)	$ 4,905.42	$ (6,127)
119	DRG 119 VEIN LIGATION & STRIPPING	1.4787	1.3456	0.1331	9.89%	1.48	1.35	0.13	$ 4,905.42	$ 653
120	DRG 120 OTH CIRCULATORY SYS O.R. PROC	2.3109	2.3853	-0.0744	-3.12%	18.49	19.08	(0.60)	$ 4,905.42	$ (2,920)
121	DRG 121 CIRC DIS W/AMI & MAJ COMP ALIVE	1.6883	1.6136	0.0747	4.63%	91.17	87.13	4.03	$ 4,905.42	$ 19,787
122	DRG 122 CIRC DIS W/AMI W/O MAJ COMP ALIV	0.9802	0.9847	-0.0045	-0.46%	16.66	16.74	(0.08)	$ 4,905.42	$ (375)
123	DRG 123 CIRC DISOR-AMI-EXPIRED	1.6053	1.5407	0.0646	4.19%	16.05	15.41	0.65	$ 4,905.42	$ 3,169
124	DRG 124 CIRC DIS EX AMI W/CATH COMP DX	1.1670	1.4425	-0.2755	-19.10%	89.86	111.07	(21.21)	$ 4,905.42	$ (104,061)
125	DRG 125 CIRC DIS EX AMI W/CAT W/O CMP DX	0.7862	1.0948	-0.3086	-28.19%	42.45	59.12	(16.66)	$ 4,905.42	$ (81,746)
126	DRG 126 ACUTE & SUBACUTE ENDOCARDITIS	2.5526	2.744	-0.1914	-6.98%	7.66	8.23	(0.57)	$ 4,905.42	$ (2,817)
127	DRG 127 HEART FAILURE & SHOCK	1.0635	1.0345	0.029	2.80%	250.99	244.14	6.84	$ 4,905.42	$ 33,573
129	DRG 129 CARDIAC ARREST UNEXPLAINED	1.1301	1.0404	0.0897	8.62%	1.13	1.04	0.09	$ 4,905.42	$ 440
130	DRG 130 PERIP VASC DISOR W CC	1.0637	0.9425	0.1212	12.86%	45.74	40.53	5.21	$ 4,905.42	$ 25,565
131	DRG 131 PERIP VASC DISOR W/O CC	0.6813	0.5566	0.1247	22.40%	8.86	7.24	1.62	$ 4,905.42	$ 7,952
132	DRG 132 ATHEROSCLEROSIS W CC	0.6482	0.6273	0.0209	3.33%	13.61	13.17	0.44	$ 4,905.42	$ 2,153
134	DRG 134 HYPERTENSION	0.6464	0.6068	0.0396	6.53%	5.17	4.85	0.32	$ 4,905.42	$ 1,554
135	DRG 135 CONGEN/VALV DISOR AGE >17 W CC	0.9122	0.8917	0.0205	2.30%	1.82	1.78	0.04	$ 4,905.42	$ 201
138	DRG 138 ARRHYT/CONDUC DIS W CC	0.8504	0.8287	0.0217	2.62%	67.18	65.47	1.71	$ 4,905.42	$ 8,409
139	DRG 139 ARRHYT/CONDUC DIS W/O CC	0.5221	0.5227	-0.0006	-0.11%	14.62	14.64	(0.02)	$ 4,905.42	$ (82)
140	DRG 140 ANGINA PECTORIS	0.5846	0.5116	0.073	14.27%	4.09	3.58	0.51	$ 4,905.42	$ 2,507
141	DRG 141 SYNCOPE & COLLAPSE W CC	0.7009	0.7521	-0.0512	-6.81%	42.05	45.13	(3.07)	$ 4,905.42	$ (15,069)
142	DRG 142 SYNCOPE & COLLAPSE W/O CC	0.5312	0.5852	-0.054	-9.23%	7.44	8.19	(0.76)	$ 4,905.42	$ (3,708)
143	DRG 143 CHEST PAIN	0.5137	0.5659	-0.0522	-9.22%	31.85	35.09	(3.24)	$ 4,905.42	$ (15,876)

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
144	DRG 144 OTHER CIRCULATORY DXS W CC	1.3781	1.2761	0.102	7.99%	89.58	82.95	6.63	$ 4,905.42	$ 32,523
146	DRG 146 RECTAL RESECTION W CC	2.8001	2.6621	0.138	5.18%	25.20	23.96	1.24	$ 4,905.42	$ 6,093
147	DRG 147 RECTAL RESECTION W/O CC	1.5698	1.4781	0.0917	6.20%	6.28	5.91	0.37	$ 4,905.42	$ 1,799
148	DRG 148 MAJ SM/LG BOWEL PROC W CC	3.5831	3.4479	0.1352	3.92%	297.40	286.18	11.22	$ 4,905.42	$ 55,047
149	DRG 149 MAJ SM/LG BOWEL PROC W/O CC	1.5441	1.4324	0.1117	7.80%	18.53	17.19	1.34	$ 4,905.42	$ 6,575
150	DRG 150 PERIT ADHESIOLYSIS W CC	2.9172	2.8061	0.1111	3.96%	23.34	22.45	0.89	$ 4,905.42	$ 4,360
151	DRG 151 PERIT ADHESIOLYSIS W/O CC	1.3530	1.2641	0.0889	7.03%	1.35	1.26	0.09	$ 4,905.42	$ 436
152	DRG 152 MIN SM/LG BOWEL PR W CC	2.0074	1.8783	0.1291	6.87%	16.06	15.03	1.03	$ 4,905.42	$ 5,066
153	DRG 153 MIN SM/LG BOWEL PR W/O CC	1.1984	1.0821	0.1163	10.75%	1.20	1.08	0.12	$ 4,905.42	$ 571
154	DRG 154 STOM/ESOPH/DUOD AGE >17 W CC	4.2032	4.0399	0.1633	4.04%	142.91	137.36	5.55	$ 4,905.42	$ 27,236
155	DRG 155 STOM/ESOPH/DUOD AGE >17 W/O CC	1.3089	1.2889	0.02	1.55%	7.85	7.73	0.12	$ 4,905.42	$ 589
157	DRG 157 ANAL & STOMAL PROC W CC	1.4076	1.3356	0.072	5.39%	8.45	8.01	0.43	$ 4,905.42	$ 2,119
158	DRG 158 ANAL & STOMAL PROC W/O CC	0.7114	0.6657	0.0457	6.86%	0.71	0.67	0.05	$ 4,905.42	$ 224
159	DRG 159 HERNIA EXC ING/FEM AGE >17 W CC	1.4745	1.4081	0.0664	4.72%	29.49	28.16	1.33	$ 4,905.42	$ 6,514
160	DRG 160 HERNIA EXC ING/FEM AGE>17 W/O CC	0.8749	0.8431	0.0318	3.77%	4.37	4.22	0.16	$ 4,905.42	$ 780
161	DRG 161 INGUIN/FEMORL HERN AGE>17 W CC	1.2461	1.1931	0.053	4.44%	6.23	5.97	0.27	$ 4,905.42	$ 1,300
162	DRG 162 INGUIN/FEMORL HERN AGE>17 W/O CC	0.6982	0.6785	0.0197	2.90%	0.70	0.68	0.02	$ 4,905.42	$ 97
164	DRG 164 APPENDECTOMY-COM DX W CC	2.2048	2.2476	-0.0428	-1.90%	2.20	2.25	(0.04)	$ 4,905.42	$ (210)
168	DRG 168 MOUTH PROCEDURES W CC	1.3278	1.2662	0.0616	4.86%	2.66	2.53	0.12	$ 4,905.42	$ 604
169	DRG 169 MOUTH PROCEDURES W/O CC	0.7643	0.7297	0.0346	4.74%	1.53	1.46	0.07	$ 4,905.42	$ 339
170	DRG 170 OTH DIGESTIVE O.R. PROC W CC	2.9351	2.9612	-0.0261	-0.88%	46.96	47.38	(0.42)	$ 4,905.42	$ (2,049)
171	DRG 171 OTH DIGESTIVE O.R. PROC W/O CC	1.2434	1.1905	0.0529	4.44%	1.24	1.19	0.05	$ 4,905.42	$ 259
172	DRG 172 DIGESTIVE MALIGNANCY W CC	1.4585	1.4125	0.046	3.26%	42.30	40.96	1.33	$ 4,905.42	$ 6,544
173	DRG 173 DIGESTIVE MALIGNANCY W/O CC	0.7562	0.7443	0.0119	1.60%	0.76	0.74	0.01	$ 4,905.42	$ 58
174	DRG 174 G.I. HEMORRHAGE W CC	1.1360	1.006	0.13	12.92%	109.06	96.58	12.48	$ 4,905.42	$ 61,220
175	DRG 175 G.I. HEMORRHAGE W/O CC	0.6295	0.5646	0.0649	11.49%	3.15	2.82	0.32	$ 4,905.42	$ 1,592
176	DRG 176 COMPLICATED PEPTIC ULCER	1.1757	1.1246	0.0511	4.54%	14.11	13.50	0.61	$ 4,905.42	$ 3,008
177	DRG 177 UNCOMPL PEPTIC ULCER W CC	0.9595	0.9166	0.0429	4.68%	2.88	2.75	0.13	$ 4,905.42	$ 631
179	DRG 179 INFLAMMATORY BOWEL DISEASE	1.1460	1.0911	0.0549	5.03%	5.73	5.46	0.27	$ 4,905.42	$ 1,347
180	DRG 180 G.I. OBSTRUCTION W CC	1.0702	0.9784	0.0918	9.38%	28.90	26.42	2.48	$ 4,905.42	$ 12,159
181	DRG 181 G.I. OBSTRUCTION W/O CC	0.6400	0.5614	0.0786	14.00%	0.64	0.56	0.08	$ 4,905.42	$ 386
182	DRG 182 ESOPH/GAST/MISC DIG AGE>17 W CC	0.9046	0.8413	0.0633	7.52%	128.45	119.46	8.99	$ 4,905.42	$ 44,093

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
183	DRG 183 ESOPH/GAST/MISC DIG AGE>17 W/O C	0.6078	0.5848	0.023	3.93%	12.16	11.70	0.46	$ 4,905.42	$ 2,256
185	DRG 185 DENTAL/ORAL EXC EXT/RES AGE >17	0.9381	0.8702	0.0679	7.80%	0.94	0.87	0.07	$ 4,905.42	$ 333
187	DRG 187 DENTAL EXTRACTIONS & RESTORATNS	0.8880	0.8363	0.0517	6.18%	2.66	2.51	0.16	$ 4,905.42	$ 761
188	DRG 188 OTH DIGESTIVE DXS AGE >17 W CC	1.1808	1.129	0.0518	4.59%	63.76	60.97	2.80	$ 4,905.42	$ 13,721
189	DRG 189 OTH DIGESTIVE DXS AGE >17 W/O CC	0.6314	0.6064	0.025	4.12%	1.89	1.82	0.07	$ 4,905.42	$ 368
191	DRG 191 PANC/LIVER/SHUNT PROC W CC	3.9647	3.968	-0.0033	-0.08%	87.22	87.30	(0.07)	$ 4,905.42	$ (356)
192	DRG 192 PANC/LIVER/SHUNT PROC W/O CC	1.7088	1.6793	0.0295	1.76%	5.13	5.04	0.09	$ 4,905.42	$ 434
193	DRG 193 BILIARY EXC CHOLEC W CC	3.4693	3.2818	0.1875	5.71%	27.75	26.25	1.50	$ 4,905.42	$ 7,358
194	DRG 194 BILIARY EXC CHOLEC W/O CC	1.6583	1.5748	0.0835	5.30%	1.66	1.57	0.08	$ 4,905.42	$ 410
197	DRG 197 CHOLEC EXCP LAPARO W/O CDE W CC	2.6196	2.5425	0.0771	3.03%	28.82	27.97	0.85	$ 4,905.42	$ 4,160
198	DRG 198 CHOLEC EXCP LAPARO W/O CDE W/O C	1.2463	1.1604	0.0859	7.40%	6.23	5.80	0.43	$ 4,905.42	$ 2,107
199	DRG 199 HEPATOBILIARY DX PROC-MALIGNANCY	2.3139	2.4073	-0.0934	-3.88%	6.94	7.22	(0.28)	$ 4,905.42	$ (1,374)
200	DRG 200 HEPATOBILIARY DX PROC-NON-MALIGN	3.0580	2.7868	0.2712	9.73%	3.06	2.79	0.27	$ 4,905.42	$ 1,330
201	DRG 201 OTH HEPATO OR PANCREAS O.R. PROC	3.6519	3.7339	-0.082	-2.20%	14.61	14.94	(0.33)	$ 4,905.42	$ (1,609)
202	DRG 202 CIRRHOSIS & ALCOHOLIC HEPATITIS	1.4205	1.3318	0.0887	6.66%	9.94	9.32	0.62	$ 4,905.42	$ 3,046
203	DRG 203 MALIGN-HEPATOBILIARY OR PANCREAS	1.3745	1.3552	0.0193	1.42%	35.74	35.24	0.50	$ 4,905.42	$ 2,462
204	DRG 204 DISOR-PANCREAS EXCEPT MALIGNANCY	1.1749	1.1249	0.05	4.44%	28.20	27.00	1.20	$ 4,905.42	$ 5,887
205	DRG 205 DISOR-LIV EXC MA/CI/ALC HEP W CC	1.2942	1.2059	0.0883	7.32%	15.53	14.47	1.06	$ 4,905.42	$ 5,198
207	DRG 207 DISOR-BILIARY TRACT W CC	1.2145	1.1746	0.0399	3.40%	30.36	29.37	1.00	$ 4,905.42	$ 4,893
208	DRG 208 DISOR-BILIARY TRACT W/O CC	0.6986	0.6895	0.0091	1.32%	3.49	3.45	0.05	$ 4,905.42	$ 223
210	DRG 210 HIP/FEM EXC MAJ JNT AGE>17 W CC	2.0150	1.9059	0.1091	5.72%	98.74	93.39	5.35	$ 4,905.42	$ 26,224
211	DRG 211 HIP/FEM EXC MAJ JNT AGE>17 W/O C	1.3653	1.269	0.0963	7.59%	4.10	3.81	0.29	$ 4,905.42	$ 1,417
213	DRG 213 AMPUT-MUSCULOSKEL/CONN TISSUE	2.2463	2.0428	0.2035	9.96%	13.48	12.26	1.22	$ 4,905.42	$ 5,990
216	DRG 216 BIOP-MUSCULOSKEL/CONN TISSUE	1.7169	1.9131	-0.1962	-10.26%	10.30	11.48	(1.18)	$ 4,905.42	$ (5,775)
217	DRG 217 WND DEBRID/SKN GRFT EXC HND-MSCN	3.1361	3.0596	0.0765	2.50%	34.50	33.66	0.84	$ 4,905.42	$ 4,128
218	DRG 218 LWR EXTRM/HUM EXC HFF AGE>17 CC	1.7105	1.6648	0.0457	2.75%	61.58	59.93	1.65	$ 4,905.42	$ 8,070
219	DRG 219 LWR EXTRM/HUM EXC HFF AGE>17 W/O	1.1071	1.0443	0.0628	6.01%	21.03	19.84	1.19	$ 4,905.42	$ 5,853

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
223	DRG 223 MAJ SHOUL/ELB OTHR UP EXTRM W CC	1.1303	1.1164	0.0139	1.25%	3.39	3.35	0.04	$ 4,905.42	$ 205
224	DRG 224 SHOUL/ELB FARM EXC MAJ JTS W/O C	0.8067	0.8185	-0.0118	-1.44%	4.84	4.91	(0.07)	$ 4,905.42	$ (347)
225	DRG 225 FOOT PROCEDURES	1.3235	1.2251	0.0984	8.03%	9.26	8.58	0.69	$ 4,905.42	$ 3,379
226	DRG 226 SOFT TISSUE PROC W CC	1.6783	1.5884	0.0899	5.66%	8.39	7.94	0.45	$ 4,905.42	$ 2,205
227	DRG 227 SOFT TISSUE PROC W/O CC	0.8719	0.8311	0.0408	4.91%	0.87	0.83	0.04	$ 4,905.42	$ 200
228	DRG 228 MAJ THMB/JT OR HAND/WRIST W CC	1.1877	1.1459	0.0418	3.65%	1.19	1.15	0.04	$ 4,905.42	$ 205
230	DRG 230 LOC EXCIS/REMOV-INT FIX HIP/FEM	1.4347	1.3174	0.1173	8.90%	4.30	3.95	0.35	$ 4,905.42	$ 1,726
232	DRG 232 ARTHROSCOPY	0.9804	0.9702	0.0102	1.05%	0.98	0.97	0.01	$ 4,905.42	$ 50
233	DRG 233 OTH MUSC/CONN TIS W CC	1.8831	1.9184	-0.0353	-1.84%	82.86	84.41	(1.55)	$ 4,905.42	$ (7,619)
234	DRG 234 OTH MUSC/CONN TIS W/O CC	1.1441	1.2219	-0.0778	-6.37%	14.87	15.88	(1.01)	$ 4,905.42	$ (4,961)
235	DRG 235 FRACTURES OF FEMUR	0.9366	0.7768	0.1598	20.57%	2.81	2.33	0.48	$ 4,905.42	$ 2,352
236	DRG 236 FRACTURES OF HIP & PELVIS	0.8791	0.7407	0.1384	18.69%	11.43	9.63	1.80	$ 4,905.42	$ 8,826
238	DRG 238 OSTEOMYELITIS	1.5466	1.4401	0.1065	7.40%	4.64	4.32	0.32	$ 4,905.42	$ 1,567
239	DRG 239 PATH FRAC/MUSC/CON TIS MALIGNCY	1.2001	1.0767	0.1234	11.46%	24.00	21.53	2.47	$ 4,905.42	$ 12,107
240	DRG 240 CONNECT TIS DISOR W CC	1.4523	1.4051	0.0472	3.36%	17.43	16.86	0.57	$ 4,905.42	$ 2,778
241	DRG 241 CONNECT TIS DISOR W/O CC	0.7172	0.6629	0.0543	8.19%	1.43	1.33	0.11	$ 4,905.42	$ 533
242	DRG 242 SEPTIC ARTHRITIS	1.2350	1.1504	0.0846	7.35%	1.24	1.15	0.08	$ 4,905.42	$ 415
243	DRG 243 MEDICAL BACK PROBLEMS	0.8680	0.7658	0.1022	13.35%	37.32	32.93	4.39	$ 4,905.42	$ 21,557
244	DRG 244 BONE DIS/SPEC ARTH W CC	0.8186	0.72	0.0986	13.69%	4.09	3.60	0.49	$ 4,905.42	$ 2,418
245	DRG 245 BONE DIS/SPEC ARTH W/O CC	0.5581	0.4583	0.0998	21.78%	1.67	1.37	0.30	$ 4,905.42	$ 1,469
247	DRG 247 SGNS/SYMP-MUSC/CONN TISSUE	0.6852	0.5795	0.1057	18.24%	4.11	3.48	0.63	$ 4,905.42	$ 3,111
248	DRG 248 TENDONITIS MYOSITIS & BURSITIS	0.9368	0.8554	0.0814	9.52%	8.43	7.70	0.73	$ 4,905.42	$ 3,594
249	DRG 249 AFCARE-MUSCULOSK/CONN TISSUE	0.8157	0.7095	0.1062	14.97%	0.82	0.71	0.11	$ 4,905.42	$ 521
251	DRG 251 FX/DISL-FRARM/HND/FT >17 W/O CC	0.5561	0.4749	0.0812	17.10%	0.56	0.47	0.08	$ 4,905.42	$ 398
253	DRG 253 FX/DL-UPARM/LWLG EX FT AGE>17 CC	0.9049	0.7747	0.1302	16.81%	8.14	6.97	1.17	$ 4,905.42	$ 5,748
254	DRG 254 FX/DL-UPARM/LWLG EX FT >17 W/O C	0.5741	0.4588	0.1153	25.13%	2.87	2.29	0.58	$ 4,905.42	$ 2,828
256	DRG 256 OTH DXS-MUSC/CONNECTIVE TISSUE	0.9598	0.8509	0.1089	12.80%	4.80	4.25	0.54	$ 4,905.42	$ 2,671
257	DRG 257 TOT MASTEC-MALIGNCY W CC	0.9016	0.8967	0.0049	0.55%	6.31	6.28	0.03	$ 4,905.42	$ 168
258	DRG 258 TOT MASTEC-MALIGNCY W/O CC	0.7045	0.7138	-0.0093	-1.30%	2.11	2.14	(0.03)	$ 4,905.42	$ (137)
259	DRG 259 STOT MASTEC-MALIGNCY W CC	0.9445	0.9671	-0.0226	-2.34%	0.94	0.97	(0.02)	$ 4,905.42	$ (111)
260	DRG 260 STOT MASTEC-MALIGNCY W/O CC	0.6437	0.7032	-0.0595	-8.46%	1.93	2.11	(0.18)	$ 4,905.42	$ (876)
261	DRG 261 BREAST-NONMALG EXC BIOP/LOC EXCS	0.8875	0.9732	-0.0857	-8.81%	0.89	0.97	(0.09)	$ 4,905.42	$ (420)
263	DRG 263 SKN GRFT-SKN ULC/CEL W CC	2.2702	2.113	0.1572	7.44%	13.62	12.68	0.94	$ 4,905.42	$ 4,627

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
266	DRG 266 SKN GRFT EXC SKN ULC/CEL W/O CC	0.9200	0.8637	0.0563	6.52%	1.84	1.73	0.11	$ 4,905.42	$ 552
268	DRG 268 SKIN/SUBCUT TIS/BREAST PLASTIC	1.2352	1.1326	0.1026	9.06%	2.47	2.27	0.21	$ 4,905.42	$ 1,007
269	DRG 269 OTH SKN/SCUT TIS/BRST W CC	1.8802	1.8352	0.045	2.45%	11.28	11.01	0.27	$ 4,905.42	$ 1,324
271	DRG 271 SKIN ULCERS	1.2353	1.0195	0.2158	21.17%	3.71	3.06	0.65	$ 4,905.42	$ 3,176
272	DRG 272 MAJOR SKIN DISOR W CC	1.1364	0.986	0.1504	15.25%	3.41	2.96	0.45	$ 4,905.42	$ 2,213
276	DRG 276 NON-MALIGNANT BREAST DISORDERS	0.8441	0.6892	0.1549	22.48%	0.84	0.69	0.15	$ 4,905.42	$ 760
277	DRG 277 CELLULITIS AGE >17 W CC	1.0015	0.8676	0.1339	15.43%	31.05	26.90	4.15	$ 4,905.42	$ 20,362
278	DRG 278 CELLULITIS AGE >17 W/O CC	0.6817	0.5391	0.1426	26.45%	6.82	5.39	1.43	$ 4,905.42	$ 6,995
280	DRG 280 TRMA-SKN/SCT TIS/BRST AGE >17 CC	0.8212	0.7313	0.0899	12.29%	4.93	4.39	0.54	$ 4,905.42	$ 2,646
281	DRG 281 TRMA-SKN/SCT TIS/BRST >17 W/O CC	0.5678	0.4913	0.0765	15.57%	1.14	0.98	0.15	$ 4,905.42	$ 751
283	DRG 283 MINOR SKIN DISOR W CC	0.8525	0.7423	0.1102	14.85%	1.71	1.48	0.22	$ 4,905.42	$ 1,081
284	DRG 284 MINOR SKIN DISOR W/O CC	0.5295	0.4563	0.0732	16.04%	0.53	0.46	0.07	$ 4,905.42	$ 359
285	DRG 285 AMPUT-ENDOC/NUTR/METAB DISORDERS	2.3169	2.1831	0.1338	6.13%	2.32	2.18	0.13	$ 4,905.42	$ 656
286	DRG 286 ADRENAL & PITUITARY PROCEDURES	1.9369	1.939	-0.0021	-0.11%	23.24	23.27	(0.03)	$ 4,905.42	$ (124)
287	DRG 287 SKN GRFT/WND DEBR-ENDOC/NUTR/MET	2.0354	1.947	0.0884	4.54%	4.07	3.89	0.18	$ 4,905.42	$ 867
288	DRG 288 O.R. PROCEDURES FOR OBESITY	1.7332	2.0384	-0.3052	-14.97%	34.66	40.77	(6.10)	$ 4,905.42	$ (29,943)
289	DRG 289 PARATHYROID PROCEDURES	0.8548	0.9315	-0.0767	-8.23%	1.71	1.86	(0.15)	$ 4,905.42	$ (752)
290	DRG 290 THYROID PROCEDURES	0.8454	0.8891	-0.0437	-4.92%	8.45	8.89	(0.44)	$ 4,905.42	$ (2,144)
294	DRG 294 DIABETES AGE >35	0.8642	0.7652	0.099	12.94%	22.47	19.90	2.57	$ 4,905.42	$ 12,627
295	DRG 295 DIABETES AGE 0-35	0.9301	0.7267	0.2034	27.99%	4.65	3.63	1.02	$ 4,905.42	$ 4,989
296	DRG 296 NUTR/MISC METAB AGE >17 W CC	0.9041	0.8187	0.0854	10.43%	34.36	31.11	3.25	$ 4,905.42	$ 15,919
297	DRG 297 NUTR/MISC METAB AGE >17 W/O CC	0.5589	0.4879	0.071	14.55%	3.35	2.93	0.43	$ 4,905.42	$ 2,090
300	DRG 300 ENDOCRINE DISOR W CC	1.1666	1.0922	0.0744	6.81%	7.00	6.55	0.45	$ 4,905.42	$ 2,190
301	DRG 301 ENDOCRINE DISOR W/O CC	0.6427	0.6118	0.0309	5.05%	0.64	0.61	0.03	$ 4,905.42	$ 152
302	DRG 302 KIDNEY TRANSPLANT	5.5466	3.1679	2.3787	75.09%	94.29	53.85	40.44	$ 4,905.42	$ 198,365
303	DRG 303 KID/URE/MAJ BLDR-NEOPLASM	2.3084	2.2183	0.0901	4.06%	64.64	62.11	2.52	$ 4,905.42	$ 12,375
304	DRG 304 KID/URE/MAJ BLDR-NONNL W CC	2.3631	2.3761	-0.013	-0.55%	37.81	38.02	(0.21)	$ 4,905.42	$ (1,020)
306	DRG 306 PROSTATECTOMY W CC	1.3307	1.27	0.0607	4.78%	1.33	1.27	0.06	$ 4,905.42	$ 298
308	DRG 308 MINOR BLADDER PROC W CC	1.7066	1.6349	0.0717	4.39%	13.65	13.08	0.57	$ 4,905.42	$ 2,814
309	DRG 309 MINOR BLADDER PROC W/O CC	0.9014	0.9085	-0.0071	-0.78%	0.90	0.91	(0.01)	$ 4,905.42	$ (35)
310	DRG 310 TRANSURETHRAL PROC W CC	1.1913	1.1898	0.0015	0.13%	21.44	21.42	0.03	$ 4,905.42	$ 132
312	DRG 312 URETHRAL PROC AGE >17 W CC	1.1947	1.1159	0.0788	7.06%	2.39	2.23	0.16	$ 4,905.42	$ 773
315	DRG 315 OTHER KIDNEY/URINARY TRACT PROC	1.9482	2.0823	-0.1341	-6.44%	62.34	66.63	(4.29)	$ 4,905.42	$ (21,050)

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
316	DRG 316 RENAL FAILURE	1.3481	1.2692	0.0789	6.22%	132.11	124.38	7.73	$ 4,905.42	$ 37,930
318	DRG 318 KID/URINARY NEOPLASMS W CC	1.2571	1.1539	0.1032	8.94%	2.51	2.31	0.21	$ 4,905.42	$ 1,012
320	DRG 320 KID/URINARY INFECT AGE>17 W CC	0.9538	0.8658	0.088	10.16%	56.27	51.08	5.19	$ 4,905.42	$ 25,469
321	DRG 321 KID/URINARY INFECT AGE>17 W/O CC	0.6512	0.5652	0.086	15.22%	3.91	3.39	0.52	$ 4,905.42	$ 2,531
323	DRG 323 URIN STONES W CC &/OR ESW LITH	0.8239	0.8214	0.0025	0.30%	6.59	6.57	0.02	$ 4,905.42	$ 98
325	DRG 325 KID/URINARY SGN/SYM AGE >17 W CC	0.7334	0.6436	0.0898	13.95%	2.93	2.57	0.36	$ 4,905.42	$ 1,762
328	DRG 328 URETHRAL STRICTURE AGE>17 W CC	0.7346	0.7079	0.0267	3.77%	0.73	0.71	0.03	$ 4,905.42	$ 131
331	DRG 331 OTH KID/URINARY DXS AGE>17 W CC	1.1580	1.0619	0.0961	9.05%	48.64	44.60	4.04	$ 4,905.42	$ 19,799
332	DRG 332 OTH KID/URINARY DXS AGE>17 W/O C	0.6602	0.616	0.0442	7.18%	0.66	0.62	0.04	$ 4,905.42	$ 217
334	DRG 334 MAJOR MALE PELVIC PROC W CC	1.4154	1.4368	-0.0214	-1.49%	7.08	7.18	(0.11)	$ 4,905.42	$ (525)
335	DRG 335 MAJOR MALE PELVIC PROC W/O CC	1.0701	1.1004	-0.0303	-2.75%	8.56	8.80	(0.24)	$ 4,905.42	$ (1,189)
336	DRG 336 TRANSURETH PROSTATEC W CC	0.8824	0.8425	0.0399	4.74%	5.29	5.06	0.24	$ 4,905.42	$ 1,174
337	DRG 337 TRANSURETH PROSTATEC W/O CC	0.5989	0.5747	0.0242	4.21%	1.20	1.15	0.05	$ 4,905.42	$ 237
339	DRG 339 TESTES PROC NON-MALIG AGE >17	1.3418	1.1866	0.1552	13.08%	1.34	1.19	0.16	$ 4,905.42	$ 761
341	DRG 341 PENIS PROCEDURES	1.2527	1.2622	-0.0095	-0.75%	2.51	2.52	(0.02)	$ 4,905.42	$ (93)
344	DRG 344 OTH MALE REPRO FOR MALIGNANCY	1.1078	1.2475	-0.1397	-11.20%	2.22	2.50	(0.28)	$ 4,905.42	$ (1,371)
346	DRG 346 MALIG MALE REPRO W CC	1.1351	1.0441	0.091	8.72%	1.14	1.04	0.09	$ 4,905.42	$ 446
348	DRG 348 BENIGN PROST HYPERTRO W CC	0.7721	0.7188	0.0533	7.42%	3.86	3.59	0.27	$ 4,905.42	$ 1,307
350	DRG 350 INFLAMMATION OF THE MALE REPRO	0.8552	0.7289	0.1263	17.33%	4.28	3.64	0.63	$ 4,905.42	$ 3,098
352	DRG 352 OTH MALE REPRODUCTIVE SYSTEM DXS	0.8690	0.736	0.133	18.07%	1.74	1.47	0.27	$ 4,905.42	$ 1,305
353	DRG 353 PELV EVISC/RAD HYST/VULVECTOMY	1.7446	1.8504	-0.1058	-5.72%	1.74	1.85	(0.11)	$ 4,905.42	$ (519)
354	DRG 354 UTER/ADN PRC NON-OV/ADN MALI W C	1.5594	1.5135	0.0459	3.03%	9.36	9.08	0.28	$ 4,905.42	$ 1,351
356	DRG 356 FEMALE REPRO RECONST PROC	0.7426	0.7428	-0.0002	-0.03%	2.23	2.23	(0.00)	$ 4,905.42	$ (3)
357	DRG 357 UTER&ADNXA PROC OVAR/ADNXL MALIG	2.2785	2.2237	0.0548	2.46%	9.11	8.89	0.22	$ 4,905.42	$ 1,075
358	DRG 358 UTER & ADNXA PROC NON-MAL W CC	1.1816	1.1448	0.0368	3.21%	11.82	11.45	0.37	$ 4,905.42	$ 1,805
359	DRG 359 UTER & ADNXA PROC NON-MAL W/O CC	0.8258	0.7948	0.031	3.90%	3.30	3.18	0.12	$ 4,905.42	$ 608
360	DRG 360 VAGINA/CERVIX/VULVA PROC	0.8803	0.8582	0.0221	2.58%	3.52	3.43	0.09	$ 4,905.42	$ 434

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
363	DRG 363 D&C/CONIZ-RADIOIMPLANT MALIG	1.0198	0.9728	0.047	4.83%	1.02	0.97	0.05	$ 4,905.42	$ 231
364	DRG 364 D&C/CONIZ EXC FOR MALIG	0.9331	0.8709	0.0622	7.14%	1.87	1.74	0.12	$ 4,905.42	$ 610
368	DRG 368 INFECTIONS FEMALE REPRO SYS	1.2262	1.1684	0.0578	4.95%	1.23	1.17	0.06	$ 4,905.42	$ 284
369	DRG 369 MENSTRUAL/OTH FEMALE REPRO DISOR	0.6696	0.631	0.0386	6.12%	0.67	0.63	0.04	$ 4,905.42	$ 189
370	DRG 370 CESAREAN SECTION W CC	1.1080	0.8974	0.2106	23.47%	2.22	1.79	0.42	$ 4,905.42	$ 2,066
371	DRG 371 CESAREAN SECTION W/O CC	0.7664	0.6066	0.1598	26.34%	0.77	0.61	0.16	$ 4,905.42	$ 784
373	DRG 373 VAGINAL DELIVERY W/O COM DXS	0.5276	0.3556	0.172	48.37%	0.53	0.36	0.17	$ 4,905.42	$ 844
376	DRG 376 POSTPART/ABORT DXS W/O O.R. PROC	0.7273	0.5242	0.2031	38.74%	0.73	0.52	0.20	$ 4,905.42	$ 996
390	DRG 390 NEONATE W OTH SIGNFCNT PROBLMS	1.1541	1.1406	0.0135	1.18%	1.15	1.14	0.01	$ 4,905.42	$ 66
391	DRG 391 NORMAL NEWBORN	0.1562	0.1544	0.0018	1.17%	0.16	0.15	0.00	$ 4,905.42	$ 9
392	DRG 392 SPLENECTOMY AGE >17	3.1188	3.0459	0.0729	2.39%	3.12	3.05	0.07	$ 4,905.42	$ 358
394	DRG 394 OTH O.R. PRC BLOOD/BLOOD ORGANS	1.8725	1.9109	-0.0384	-2.01%	1.87	1.91	(0.04)	$ 4,905.42	$ (188)
395	DRG 395 RED BLOOD CELL DISOR AGE >17	0.9413	0.8328	0.1085	13.03%	16.94	14.99	1.95	$ 4,905.42	$ 9,580
397	DRG 397 COAGULATION DISORDERS	1.3611	1.2986	0.0625	4.81%	13.61	12.99	0.63	$ 4,905.42	$ 3,066
398	DRG 398 RETICUL/IMMUNITY W CC	1.2912	1.2082	0.083	6.87%	5.16	4.83	0.33	$ 4,905.42	$ 1,629
399	DRG 399 RETICUL/IMMUNITY W/O CC	0.7064	0.6674	0.039	5.84%	0.71	0.67	0.04	$ 4,905.42	$ 191
401	DRG 401 LYMPH&NON-ACUT LEUK W OTH PRC CC	2.8703	2.9678	-0.0975	-3.29%	11.48	11.87	(0.39)	$ 4,905.42	$ (1,913)
402	DRG 402 LYMPH&NON-ACUT LK W OTH PR W/O C	1.1380	1.181	-0.043	-3.64%	1.14	1.18	(0.04)	$ 4,905.42	$ (211)
403	DRG 403 LYMPH&NON-ACUT LEUKEMIA W CC	1.8986	1.8432	0.0554	3.01%	49.36	47.92	1.44	$ 4,905.42	$ 7,066
404	DRG 404 LYMPH&NON-ACUT LEUKEMIA W/O CC	0.9137	0.9265	-0.0128	-1.38%	1.83	1.85	(0.03)	$ 4,905.42	$ (126)
406	DRG 406 MYEL/NEOPLASM W MAJ PROC W CC	2.7839	2.7897	-0.0058	-0.21%	8.35	8.37	(0.02)	$ 4,905.42	$ (85)
407	DRG 407 MYEL/NEOPLASM W MAJ PROC W/O CC	1.1617	1.2289	-0.0672	-5.47%	1.16	1.23	(0.07)	$ 4,905.42	$ (330)
408	DRG 408 MYEL/NEOPLASM W OTH O.R.PROC	2.1388	2.246	-0.1072	-4.77%	8.56	8.98	(0.43)	$ 4,905.42	$ (2,103)
409	DRG 409 RADIOTHERAPY	1.2059	1.2074	-0.0015	-0.12%	1.21	1.21	(0.00)	$ 4,905.42	$ (7)
410	DRG 410 CHEMOTHERAPY W/O ACUTE LEUKEMIA	1.0178	1.1069	-0.0891	-8.05%	27.48	29.89	(2.41)	$ 4,905.42	$ (11,801)
413	DRG 413 OTH MYEL/NEOPL DXS W CC	1.4097	1.3048	0.1049	8.04%	9.87	9.13	0.73	$ 4,905.42	$ 3,602
415	DRG 415 O.R. PROC-INFECT/PARAS DISEASES	4.1393	3.989	0.1503	3.77%	169.71	163.55	6.16	$ 4,905.42	$ 30,229
416	DRG 416 SEPTICEMIA AGE >17	1.8340	1.6774	0.1566	9.34%	245.76	224.77	20.98	$ 4,905.42	$ 102,937
418	DRG 418 POSTOPERATIVE/TRAUMATIC INFECTNS	1.1938	1.0716	0.1222	11.40%	28.65	25.72	2.93	$ 4,905.42	$ 14,387
419	DRG 419 FEVER OF UNK ORIG AGE >17 W CC	0.8951	0.8453	0.0498	5.89%	5.37	5.07	0.30	$ 4,905.42	$ 1,466

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DRG WEIGHTING FACTOR ANALYSIS

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420	DRG 420 FEVER OF UNK ORIG AGE >17 W/O CC	0.6263	0.6077	0.0186	3.06%	0.63	0.61	0.02	$ 4,905.42	$ 91
421	DRG 421 VIRAL ILLNESS AGE >17	0.8210	0.7664	0.0546	7.12%	4.11	3.83	0.27	$ 4,905.42	$ 1,339
423	DRG 423 OTH INFECT/PARAS DISEASES DXS	1.9053	1.9196	-0.0143	-0.74%	7.62	7.68	(0.06)	$ 4,905.42	$ (281)
425	DRG 425 AC ADJ REACT/DIST-PSY DYSFUNCTN	0.7075	0.6191	0.0884	14.28%	4.95	4.33	0.62	$ 4,905.42	$ 3,035
429	DRG 429 ORGANIC DISTURBS/MENTAL RETRDTN	0.9614	0.7919	0.1695	21.40%	7.69	6.34	1.36	$ 4,905.42	$ 6,652
430	DRG 430 PSYCHOSES	1.2316	0.6483	0.5833	89.97%	7.39	3.89	3.50	$ 4,905.42	$ 17,168
439	DRG 439 SKIN GRAFTS FOR INJURIES	2.0857	1.9398	0.1459	7.52%	2.09	1.94	0.15	$ 4,905.42	$ 716
440	DRG 440 WOUND DEBRIDEMENTS FOR INJURIES	2.0128	1.9457	0.0671	3.45%	6.04	5.84	0.20	$ 4,905.42	$ 987
442	DRG 442 OTH O.R. PROC-INJURIES W CC	2.6213	2.566	0.0553	2.16%	39.32	38.49	0.83	$ 4,905.42	$ 4,069
443	DRG 443 OTH O.R. PROC-INJURIES W/O CC	1.0919	0.9943	0.0976	9.82%	1.09	0.99	0.10	$ 4,905.42	$ 479
444	DRG 444 TRAUMATIC INJURY AGE >17 W CC	0.8329	0.7556	0.0773	10.23%	2.50	2.27	0.23	$ 4,905.42	$ 1,138
445	DRG 445 TRAUMATIC INJURY AGE >17 W/O CC	0.5792	0.5033	0.0759	15.08%	1.74	1.51	0.23	$ 4,905.42	$ 1,117
447	DRG 447 ALLERGIC REACTIONS AGE >17	0.6470	0.5569	0.0901	16.18%	1.29	1.11	0.18	$ 4,905.42	$ 884
449	DRG 449 POIS/TOXIC EFF-DRUGS AGE>17 W CC	0.9882	0.8529	0.1353	15.86%	7.91	6.82	1.08	$ 4,905.42	$ 5,310
450	DRG 450 POIS/TOXIC EFF-DRUGS AGE>17 W/O	0.5741	0.4282	0.1459	34.07%	1.15	0.86	0.29	$ 4,905.42	$ 1,431
452	DRG 452 COMPL OF TREATMENT W CC	1.1377	1.0462	0.0915	8.75%	22.75	20.92	1.83	$ 4,905.42	$ 8,977
453	DRG 453 COMPL OF TREATMENT W/O CC	0.5867	0.5285	0.0582	11.01%	1.17	1.06	0.12	$ 4,905.42	$ 571
461	DRG 461 PROC W DXS-OTH CONT W HLTH SERVS	1.5386	1.3974	0.1412	10.10%	3.08	2.79	0.28	$ 4,905.42	$ 1,385
463	DRG 463 SIGNS & SYMPTOMS W CC	0.7661	0.696	0.0701	10.07%	7.66	6.96	0.70	$ 4,905.42	$ 3,439
464	DRG 464 SIGNS & SYMPTOMS W/O CC	0.5663	0.5055	0.0608	12.03%	1.13	1.01	0.12	$ 4,905.42	$ 596
467	DRG 467 OTH FACTORS INFLU HEALTH STATUS	0.5408	0.4803	0.0605	12.60%	0.54	0.48	0.06	$ 4,905.42	$ 297
468	DRG 468 EXT O.R. PROC UNREL TO PRINC DX	3.8122	4.0031	-0.1909	-4.77%	156.30	164.13	(7.83)	$ 4,905.42	$ (38,394)
470	DRG 470 UNGROUPABLE	0.0000	0	0	#DIV/0!	-	-	-	$ 4,905.42	$ -
471	DRG 471 BIL/MULT MAJ JNT PROC-LWR EXTR	2.7365	3.1391	-0.4026	-12.83%	8.21	9.42	(1.21)	$ 4,905.42	$ (5,925)
473	DRG 473 ACUTE LEUK W/O MAJ PROC AGE >17	3.4703	3.4231	0.0472	1.38%	17.35	17.12	0.24	$ 4,905.42	$ 1,158
475	DRG 475 RESP SYS DX W/VENTILATOR SUP	3.8279	3.6091	0.2188	6.06%	398.10	375.35	22.76	$ 4,905.42	$ 111,624
476	DRG 476 PROST O.R. PROC UNREL TO PRIN DX	2.1079	2.1822	-0.0743	-3.40%	2.11	2.18	(0.07)	$ 4,905.42	$ (364)
477	DRG 477 NON-EXT OR PROC UNREL TO PRIN DX	2.0694	2.0607	0.0087	0.42%	41.39	41.21	0.17	$ 4,905.42	$ 854
479	DRG 479 OTHER VASCULAR PROC W/O CC	1.2715	1.4434	-0.1719	-11.91%	22.89	25.98	(3.09)	$ 4,905.42	$ (15,178)

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
482	DRG 482 TRACH FOR FACE/MOUTH/NECK DIAG	3.5956	3.3387	0.2569	7.69%	14.38	13.35	1.03	$ 4,905.42	$ 5,041
484	DRG 484 CRANIOT-MULT SIGN TRAUMA	5.3652	5.1438	0.2214	4.30%	10.73	10.29	0.44	$ 4,905.42	$ 2,172
485	DRG 485 LIMB REATTACH-MULT TRAUMA	3.5846	3.4952	0.0894	2.56%	25.09	24.47	0.63	$ 4,905.42	$ 3,070
486	DRG 486 OTH O.R. PROC-MULTIPLE SIG TRAUM	5.1310	4.7323	0.3987	8.43%	20.52	18.93	1.59	$ 4,905.42	$ 7,823
487	DRG 487 OTHER MULT SIGN TRAUMA	2.1184	1.9459	0.1725	8.86%	31.78	29.19	2.59	$ 4,905.42	$ 12,693
489	DRG 489 HIV W MAJOR REL CONDITION	1.7760	1.8058	-0.0298	-1.65%	5.33	5.42	(0.09)	$ 4,905.42	$ (439)
490	DRG 490 HIV W OR W/O OTH REL COND	1.0808	1.0639	0.0169	1.59%	1.08	1.06	0.02	$ 4,905.42	$ 83
491	DRG 491 MAJ JOINT & LIMB REATTACH-UP EXT	1.5997	1.678	-0.0783	-4.67%	33.59	35.24	(1.64)	$ 4,905.42	$ (8,066)
492	DRG 492 CHEMOTHERAPY W ACUTE LEUKEMIA	3.6663	3.5926	0.0737	2.05%	3.67	3.59	0.07	$ 4,905.42	$ 362
493	DRG 493 LAPARO CHOLEC W/O C.D.E. W CC	1.7812	1.8333	-0.0521	-2.84%	37.41	38.50	(1.09)	$ 4,905.42	$ (5,367)
494	DRG 494 LAPARO CHOLEC W/O C.D.E. W/O CC	0.9795	1.0285	-0.049	-4.76%	0.98	1.03	(0.05)	$ 4,905.42	$ (240)
496	DRG 496 COMBINED ANT/POST SPINAL FUSION	5.3926	6.0932	-0.7006	-11.50%	10.79	12.19	(1.40)	$ 4,905.42	$ (6,873)
497	DRG 497 SPINAL FUSION W CC	3.3300	3.6224	-0.2924	-8.07%	46.62	50.71	(4.09)	$ 4,905.42	$ (20,081)
498	DRG 498 SPINAL FUSION W/O CC	2.5267	2.7791	-0.2524	-9.08%	32.85	36.13	(3.28)	$ 4,905.42	$ (16,096)
499	DRG 499 BACK-NECK PROC EX SPNL FUSN W CC	1.3408	1.3831	-0.0423	-3.06%	75.08	77.45	(2.37)	$ 4,905.42	$ (11,620)
500	DRG 500 BACK-NECK PROC EX SPNL FUSN W/O	0.8707	0.9046	-0.0339	-3.75%	53.11	55.18	(2.07)	$ 4,905.42	$ (10,144)
501	DRG 501 KNEE PROC W PDX OF INFECTN W CC	2.7150	2.6462	0.0688	2.60%	5.43	5.29	0.14	$ 4,905.42	$ 675
503	DRG 503 KNEE PROC W/O PDX OF INFECTN	1.2375	1.2038	0.0337	2.80%	4.95	4.82	0.13	$ 4,905.42	$ 661
512	DRG 512 SIMULTAN PANC/KIDNEY TRANS	9.9384	5.366	4.5724	85.21%	9.94	5.37	4.57	$ 4,905.42	$ 22,430
513	DRG 513 PANCREAS TRANSPLANT	6.5546	5.9669	0.5877	9.85%	6.55	5.97	0.59	$ 4,905.42	$ 2,883
515	DRG 515 CARDIAC DEFIB IMPL W/O CATH	4.1471	5.5205	-1.3734	-24.88%	518.39	690.06	(171.68)	$ 4,905.42	$ (842,138)
518	DRG 518 PERC CARD W/O COR ART STNT OR AM	1.1424	1.6544	-0.512	-30.95%	23.99	34.74	(10.75)	$ 4,905.42	$ (52,743)
519	DRG 519 CERVICAL SPINAL FUSION W CC	2.2859	2.4695	-0.1836	-7.43%	13.72	14.82	(1.10)	$ 4,905.42	$ (5,404)
520	DRG 520 CERVICAL SPINAL FUSION W/O CC	1.4721	1.6788	-0.2067	-12.31%	16.19	18.47	(2.27)	$ 4,905.42	$ (11,153)
521	DRG 521 ALC/DRUG ABUSE/DEPEND W CC	0.9157	0.6939	0.2218	31.96%	4.58	3.47	1.11	$ 4,905.42	$ 5,440
523	DRG 523 ALC/DRUG AB/DEPND W/O REH W/O CC	0.5474	0.3793	0.1681	44.32%	1.09	0.76	0.34	$ 4,905.42	$ 1,649
524	DRG 524 TRANSIENT ISCHEMIA	0.6913	0.7288	-0.0375	-5.15%	27.65	29.15	(1.50)	$ 4,905.42	$ (7,358)
528	DRG 528 INTRACRAN VASC PRC W PDX HEMOR	7.3829	7.0505	0.3324	4.71%	36.91	35.25	1.66	$ 4,905.42	$ 8,153
529	DRG 529 VENTRICULAR SHUNT PROCS W CC	2.2423	2.316	-0.0737	-3.18%	6.73	6.95	(0.22)	$ 4,905.42	$ (1,085)

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
530	DRG 530 VENTRICULAR SHUNT PROCS W/O CC	1.1697	1.2041	-0.0344	-2.86%	5.85	6.02	(0.17)	$ 4,905.42	$ (844)
531	DRG 531 SPINAL PROCEDURES W CC	3.0552	3.1279	-0.0727	-2.32%	21.39	21.90	(0.51)	$ 4,905.42	$ (2,496)
532	DRG 532 SPINAL PROCEDURES W/O CC	1.3777	1.4195	-0.0418	-2.94%	6.89	7.10	(0.21)	$ 4,905.42	$ (1,025)
533	DRG 533 EXTRACRANIAL PROCEDURES W CC	1.4911	1.5767	-0.0856	-5.43%	104.38	110.37	(5.99)	$ 4,905.42	$ (29,393)
534	DRG 534 EXTRACRANIAL PROCEDURES W/O CC	0.9668	1.0201	-0.0533	-5.22%	35.77	37.74	(1.97)	$ 4,905.42	$ (9,674)
535	DRG 535 CARD DEF IMP W CAT W AMI/HF/SHK	5.8951	7.9738	-2.0787	-26.07%	76.64	103.66	(27.02)	$ 4,905.42	$ (132,560)
536	DRG 536 CARD DEF IMP W CAT W/O AMI/HF/SK	5.2199	6.9144	-1.6945	-24.51%	88.74	117.54	(28.81)	$ 4,905.42	$ (141,308)
537	DRG 537 REM FIX DEV EXC HIP/FEM W CC	1.8568	1.836	0.0208	1.13%	7.43	7.34	0.08	$ 4,905.42	$ 408
538	DRG 538 REM FIX DEV EXC HIP/FEM W/O CC	1.0223	0.9833	0.039	3.97%	7.16	6.88	0.27	$ 4,905.42	$ 1,339
539	DRG 539 LYMPH & LEUK W MAJ OR PRC W CC	3.1235	3.2782	-0.1547	-4.72%	12.49	13.11	(0.62)	$ 4,905.42	$ (3,035)
541	DRG 541 TRA W MV 96+ / PDX EX F/M/N W OR	19.9990	19.8038	0.1952	0.99%	1,279.94	1,267.44	12.49	$ 4,905.42	$ 61,282
542	DRG 542 TRA W MV 96+ / PDX EX F/N W/O OR	12.5966	12.8719	-0.2753	-2.14%	377.90	386.16	(8.26)	$ 4,905.42	$ (40,514)
543	DRG 543 CRANIO W IMPL CHEM / ACU CPX CNS	4.6474	4.4184	0.229	5.18%	69.71	66.28	3.44	$ 4,905.42	$ 16,850
544	DRG 544 MAJ JOINT REPLAC/REATTACH LOW EX	1.8941	1.9643	-0.0702	-3.57%	320.10	331.97	(11.86)	$ 4,905.42	$ (58,197)
545	DRG 545 REVISION - HIP/KNEE REPLACEMENT	2.4127	2.4827	-0.07	-2.82%	89.27	91.86	(2.59)	$ 4,905.42	$ (12,705)
546	DRG 546 SPINAL FUS EXC CERV W CUR OR MAL	4.8421	5.0739	-0.2318	-4.57%	19.37	20.30	(0.93)	$ 4,905.42	$ (4,548)
547	DRG 547 CORO BYP W CAR CATH W MAJ CV DX	5.6862	6.1948	-0.5086	-8.21%	96.67	105.31	(8.65)	$ 4,905.42	$ (42,413)
548	DRG 548 COR BYP W CAR CATH W/O MAJ CV DX	4.1762	4.7198	-0.5436	-11.52%	54.29	61.36	(7.07)	$ 4,905.42	$ (34,666)
549	DRG 549 COR BYP W/O CAR CATH W MAJ CV DX	4.8829	5.098	-0.2151	-4.22%	34.18	35.69	(1.51)	$ 4,905.42	$ (7,386)
550	DRG 550 COR BY W/O CAR CAT W/O MAJ CV DX	3.4598	3.6151	-0.1553	-4.30%	86.50	90.38	(3.88)	$ 4,905.42	$ (19,045)
551	DRG 551 PERM CAR PACE IMP W MAJ CV DX	2.6339	3.1007	-0.4668	-15.05%	73.75	86.82	(13.07)	$ 4,905.42	$ (64,116)
552	DRG 552 OTH PER CAR PAC IMP W/O MA CV DX	1.7670	2.0996	-0.3326	-15.84%	63.61	75.59	(11.97)	$ 4,905.42	$ (58,736)
553	DRG 553 OTH VAS PRC W CC W MAJ CV DX	2.8371	3.0957	-0.2586	-8.35%	87.95	95.97	(8.02)	$ 4,905.42	$ (39,325)
554	DRG 554 OTH VAS PRC W CC W/O MAJ CV DX	1.9483	2.0721	-0.1238	-5.97%	116.90	124.33	(7.43)	$ 4,905.42	$ (36,437)
555	DRG 555 PERCU CARDIOVAS PRC W MAJ CV DX	1.8654	2.4315	-0.5661	-23.28%	106.33	138.60	(32.27)	$ 4,905.42	$ (158,287)
556	DRG 556 PER CAR PRC W NON STE W/O MAJ CV	1.2241	1.9132	-0.6891	-36.02%	45.29	70.79	(25.50)	$ 4,905.42	$ (125,072)

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557	DRG 557 PER CAR PRC W D-E STE W MA CV DX	2.1323	2.8717	-0.7394	-25.75%	238.82	321.63	(82.81)	$ 4,905.42	$ (406,232)
558	DRG 558 PER CAR PRC W STEN W/O MAJ CV DX	1.4299	2.2108	-0.7809	-35.32%	160.15	247.61	(87.46)	$ 4,905.42	$ (429,032)
559	DRG 559 ACUTE ISCHEMIC STR W THROM AGENT	2.2370	2.2473	-0.0103	-0.46%	13.42	13.48	(0.06)	$ 4,905.42	$ (303)
	TOTAL	2.02	2.07	-0.056174	-2.71%	12,371.98	12,716.27	(344.29)		$ (1,688,889)

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
7	DRG 7 PER/CRAN/OTH NERV W/ CC	2.5775	2.6978	-0.1203	-4.46%	7.73	8.09	(0.36)	$ 4,905.42	$ (1,770)
10	DRG 10 NERVOUS SYSTEM NEOPLASMS W CC	1.2513	1.2222	0.0291	2.38%	10.01	9.78	0.23	$ 4,905.42	$ 1,142
12	DRG 12 DEGENERATIVE NERV SYS DISORDERS	1.0105	0.8998	0.1107	12.30%	31.33	27.89	3.43	$ 4,905.42	$ 16,834
13	DRG 13 MULT SCLEROSIS/CEREBELLAR ATAXIA	0.9266	0.8575	0.0691	8.06%	3.71	3.43	0.28	$ 4,905.42	$ 1,356
14	DRG 14 INTRACRAN HEMOR OR CEREBRA INFAR	1.2480	1.2456	0.0024	0.19%	86.11	85.95	0.17	$ 4,905.42	$ 812
15	DRG 15 NONSPE CVA/PRECER OCCLU W/O INFA	0.9170	0.9421	-0.0251	-2.66%	3.67	3.77	(0.10)	$ 4,905.42	$ (493)
16	DRG 16 NONSPEC CEREBROVASC DISOR W CC	1.3632	1.3351	0.0281	2.10%	9.54	9.35	0.20	$ 4,905.42	$ 965
17	DRG 17 NONSPEC CEREBROVASC DISOR W/O CC	0.6692	0.7229	-0.0537	-7.43%	1.34	1.45	(0.11)	$ 4,905.42	$ (527)
18	DRG 18 CRAN/PER NERV DISOR W CC	1.0501	0.9903	0.0598	6.04%	18.90	17.83	1.08	$ 4,905.42	$ 5,280
19	DRG 19 CRAN/PER NERV DISOR W/O CC	0.7128	0.7077	0.0051	0.72%	1.43	1.42	0.01	$ 4,905.42	$ 50
20	DRG 20 NERV INFECTN EXC VIRAL MENINGITI	2.7596	2.7865	-0.0269	-0.97%	5.52	5.57	(0.05)	$ 4,905.42	$ (264)
21	DRG 21 VIRAL MENINGITIS	1.4536	1.4451	0.0085	0.59%	1.45	1.45	0.01	$ 4,905.42	$ 42
22	DRG 22 HYPERTENSIVE ENCEPHALOPATHY	1.2386	1.1304	0.1082	9.57%	1.24	1.13	0.11	$ 4,905.42	$ 531
23	DRG 23 NONTRAUMATIC STUPOR & COMA	0.8423	0.7712	0.0711	9.22%	0.84	0.77	0.07	$ 4,905.42	$ 349
24	DRG 24 SEIZURE & HEADACHE AGE >17 W CC	1.0388	0.997	0.0418	4.19%	28.05	26.92	1.13	$ 4,905.42	$ 5,536
25	DRG 25 SEIZURE+HEADACHE AGE >17 W/O CC	0.6436	0.618	0.0256	4.14%	6.44	6.18	0.26	$ 4,905.42	$ 1,256
28	DRG 28 TRAU STUP/COM<1 HR AGE>17 W CC	1.4037	1.3353	0.0684	5.12%	2.81	2.67	0.14	$ 4,905.42	$ 671
31	DRG 31 CONCUSSION AGE >17 W CC	0.9511	0.9567	-0.0056	-0.59%	1.90	1.91	(0.01)	$ 4,905.42	$ (55)
32	DRG 32 CONCUSSION AGE >17 W/O CC	0.5859	0.6194	-0.0335	-5.41%	0.59	0.62	(0.03)	$ 4,905.42	$ (164)
34	DRG 34 OTH DISOR-NERV SYS W CC	1.0347	1.0062	0.0285	2.83%	11.38	11.07	0.31	$ 4,905.42	$ 1,538
35	DRG 35 OTH DISOR-NERV SYS W/O CC	0.6453	0.6241	0.0212	3.40%	1.29	1.25	0.04	$ 4,905.42	$ 208
44	DRG 44 ACUTE MAJOR EYE INFECTIONS	0.8191	0.6874	0.1317	19.16%	0.82	0.69	0.13	$ 4,905.42	$ 646
46	DRG 46 OTH DISOR-EYE AGE >17 W CC	0.8135	0.7524	0.0611	8.12%	1.63	1.50	0.12	$ 4,905.42	$ 599
49	DRG 49 MAJOR HEAD & NECK PROCEDURES	1.7653	1.6361	0.1292	7.90%	1.77	1.64	0.13	$ 4,905.42	$ 634
51	DRG 51 SAL GLAND PRC EX SIALOADENECTOMY	0.8841	0.8809	0.0032	0.36%	0.88	0.88	0.00	$ 4,905.42	$ 16
65	DRG 65 DYSEQUILIBRIUM	0.5799	0.5991	-0.0192	-3.20%	14.50	14.98	(0.48)	$ 4,905.42	$ (2,355)
66	DRG 66 EPISTAXIS	0.6790	0.5958	0.0832	13.96%	1.36	1.19	0.17	$ 4,905.42	$ 816
68	DRG 68 OTITIS MEDIA/URI AGE >17 W CC	0.7572	0.6611	0.0961	14.54%	3.03	2.64	0.38	$ 4,905.42	$ 1,886
69	DRG 69 OTITIS MEDIA/URI AGE >17 W/O CC	0.5706	0.485	0.0856	17.65%	0.57	0.49	0.09	$ 4,905.42	$ 420
72	DRG 72 NASAL TRAUMA & DEFORMITY	0.7502	0.7449	0.0053	0.71%	1.50	1.49	0.01	$ 4,905.42	$ 52

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
73	DRG 73 OTH EAR/NOSE/THROAT DX AGE >17	0.9140	0.8527	0.0613	7.19%	2.74	2.56	0.18	$ 4,905.42	$ 902
75	DRG 75 MAJOR CHEST PROCEDURES	3.0790	3.0732	0.0058	0.19%	9.24	9.22	0.02	$ 4,905.42	$ 85
76	DRG 76 OTH RESP SYSTEM O.R. PROC W CC	2.7410	2.883	-0.142	-4.93%	21.93	23.06	(1.14)	$ 4,905.42	$ (5,573)
78	DRG 78 PULMONARY EMBOLISM	1.3229	1.2427	0.0802	6.45%	33.07	31.07	2.01	$ 4,905.42	$ 9,835
79	DRG 79 RESP INFEC/INFL AGE >17 W CC	1.7331	1.6238	0.1093	6.73%	162.91	152.64	10.27	$ 4,905.42	$ 50,399
82	DRG 82 RESPIRATORY NEOPLASMS	1.4335	1.3936	0.0399	2.86%	32.97	32.05	0.92	$ 4,905.42	$ 4,502
83	DRG 83 MAJ CHEST TRAUMA W CC	1.1185	0.9828	0.1357	13.81%	5.59	4.91	0.68	$ 4,905.42	$ 3,328
85	DRG 85 PLEURAL EFFUSION W CC	1.2935	1.2405	0.053	4.27%	6.47	6.20	0.27	$ 4,905.42	$ 1,300
87	DRG 87 PULMONARY EDEMA & RESP FAILURE	1.5310	1.3654	0.1656	12.13%	171.47	152.92	18.55	$ 4,905.42	$ 90,982
88	DRG 88 CHRONIC OBSTRUCTIVE PULM DISEASE	0.9557	0.8778	0.0779	8.87%	99.39	91.29	8.10	$ 4,905.42	$ 39,742
89	DRG 89 SIMP PNEUM/PLEUR AGE >17 W CC	1.1291	1.032	0.0971	9.41%	137.75	125.90	11.85	$ 4,905.42	$ 58,111
90	DRG 90 SIMP PNEUM/PLEUR AGE >17 W/O CC	0.7043	0.6104	0.0939	15.38%	3.52	3.05	0.47	$ 4,905.42	$ 2,303
92	DRG 92 INTERSTITIAL LUNG W CC	1.2410	1.1853	0.0557	4.70%	3.72	3.56	0.17	$ 4,905.42	$ 820
94	DRG 94 PNEUMOTHORAX W CC	1.2852	1.1354	0.1498	13.19%	3.86	3.41	0.45	$ 4,905.42	$ 2,204
96	DRG 96 BRONCH/ASTHMA AGE >17 W CC	0.8093	0.7303	0.079	10.82%	28.33	25.56	2.77	$ 4,905.42	$ 13,563
97	DRG 97 BRONCH/ASTHMA AGE >17 W/O CC	0.6199	0.5364	0.0835	15.57%	5.58	4.83	0.75	$ 4,905.42	$ 3,686
99	DRG 99 RESP SIGNS/SYMPS W CC	0.7101	0.7094	0.0007	0.10%	3.55	3.55	0.00	$ 4,905.42	$ 17
101	DRG 101 OTH RESPIRATORY DXS W CC	0.9106	0.8733	0.0373	4.27%	7.28	6.99	0.30	$ 4,905.42	$ 1,464
102	DRG 102 OTH RESPIRATORY DXS W/O CC	0.5625	0.5402	0.0223	4.13%	0.56	0.54	0.02	$ 4,905.42	$ 109
110	DRG 110 MAJ CARDIOVASCULAR PROC W CC	3.6419	3.8417	-0.1998	-5.20%	18.21	19.21	(1.00)	$ 4,905.42	$ (4,901)
113	DRG 113 AMPUTN-CIRC SYS EXC UPR LIMB/TOE	3.3828	3.1682	0.2146	6.77%	23.68	22.18	1.50	$ 4,905.42	$ 7,369
114	DRG 114 UPR LIMB/TOE AMPUTN-CIRC SYS DIS	1.8874	1.7354	0.152	8.76%	1.89	1.74	0.15	$ 4,905.42	$ 746
551	DRG 115 NLV - PERM PACE IMP W/AMI/HF/SHK	2.6339	3.1007	-0.4668	-15.05%	2.63	3.10	(0.47)	$ 4,905.42	$ (2,290)
118	DRG 118 PACEMAKER DEVICE REPL	1.3882	1.638	-0.2498	-15.25%	2.78	3.28	(0.50)	$ 4,905.42	$ (2,451)
120	DRG 120 OTH CIRCULATORY SYS O.R. PROC	2.3109	2.3853	-0.0744	-3.12%	20.80	21.47	(0.67)	$ 4,905.42	$ (3,285)
121	DRG 121 CIRC DIS W/AMI & MAJ COMP ALIVE	1.6883	1.6136	0.0747	4.63%	108.05	103.27	4.78	$ 4,905.42	$ 23,452
122	DRG 122 CIRC DIS W/AMI W/O MAJ COMP ALIV	0.9802	0.9847	-0.0045	-0.46%	20.58	20.68	(0.09)	$ 4,905.42	$ (464)
123	DRG 123 CIRC DISOR-AMI-EXPIRED	1.6053	1.5407	0.0646	4.19%	11.24	10.78	0.45	$ 4,905.42	$ 2,218
125	DRG 125 CIRC DIS EX AMI W/CAT W/O CMP DX	0.7862	1.0948	-0.3086	-28.19%	0.79	1.09	(0.31)	$ 4,905.42	$ (1,514)
126	DRG 126 ACUTE & SUBACUTE ENDOCARDITIS	2.5526	2.744	-0.1914	-6.98%	15.32	16.46	(1.15)	$ 4,905.42	$ (5,633)
127	DRG 127 HEART FAILURE & SHOCK	1.0635	1.0345	0.029	2.80%	338.19	328.97	9.22	$ 4,905.42	$ 45,238
128	DRG 128 DEEP VEIN THROMBOPHLEBITIS	0.8850	0.6949	0.1901	27.36%	2.66	2.08	0.57	$ 4,905.42	$ 2,798
130	DRG 130 PERIP VASC DISOR W CC	1.0637	0.9425	0.1212	12.86%	30.85	27.33	3.51	$ 4,905.42	$ 17,242

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
131	DRG 131 PERIP VASC DISOR W/O CC	0.6813	0.5566	0.1247	22.40%	4.09	3.34	0.75	$ 4,905.42	$ 3,670
132	DRG 132 ATHEROSCLEROSIS W CC	0.6482	0.6273	0.0209	3.33%	40.84	39.52	1.32	$ 4,905.42	$ 6,459
133	DRG 133 ATHEROSCLEROSIS W/O CC	0.5237	0.5337	-0.01	-1.87%	0.52	0.53	(0.01)	$ 4,905.42	$ (49)
134	DRG 134 HYPERTENSION	0.6464	0.6068	0.0396	6.53%	8.40	7.89	0.51	$ 4,905.42	$ 2,525
135	DRG 135 CONGEN/VALV DISOR AGE >17 W CC	0.9122	0.8917	0.0205	2.30%	2.74	2.68	0.06	$ 4,905.42	$ 302
138	DRG 138 ARRHYT/CONDUC DIS W CC	0.8504	0.8287	0.0217	2.62%	88.44	86.18	2.26	$ 4,905.42	$ 11,071
139	DRG 139 ARRHYT/CONDUC DIS W/O CC	0.5221	0.5227	-0.0006	-0.11%	5.22	5.23	(0.01)	$ 4,905.42	$ (29)
140	DRG 140 ANGINA PECTORIS	0.5846	0.5116	0.073	14.27%	2.92	2.56	0.37	$ 4,905.42	$ 1,790
141	DRG 141 SYNCOPE & COLLAPSE W CC	0.7009	0.7521	-0.0512	-6.81%	53.27	57.16	(3.89)	$ 4,905.42	$ (19,088)
142	DRG 142 SYNCOPE & COLLAPSE W/O CC	0.5312	0.5852	-0.054	-9.23%	11.16	12.29	(1.13)	$ 4,905.42	$ (5,563)
143	DRG 143 CHEST PAIN	0.5137	0.5659	-0.0522	-9.22%	35.45	39.05	(3.60)	$ 4,905.42	$ (17,668)
144	DRG 144 OTHER CIRCULATORY DXS W CC	1.3781	1.2761	0.102	7.99%	39.96	37.01	2.96	$ 4,905.42	$ 14,510
145	DRG 145 OTHER CIRCULATORY DXS W/O CC	0.5993	0.5835	0.0158	2.71%	0.60	0.58	0.02	$ 4,905.42	$ 78
146	DRG 146 RECTAL RESECTION W CC	2.8001	2.6621	0.138	5.18%	2.80	2.66	0.14	$ 4,905.42	$ 677
147	DRG 147 RECTAL RESECTION W/O CC	1.5698	1.4781	0.0917	6.20%	1.57	1.48	0.09	$ 4,905.42	$ 450
148	DRG 148 MAJ SM/LG BOWEL PROC W CC	3.5831	3.4479	0.1352	3.92%	125.41	120.68	4.73	$ 4,905.42	$ 23,212
149	DRG 149 MAJ SM/LG BOWEL PROC W/O CC	1.5441	1.4324	0.1117	7.80%	3.09	2.86	0.22	$ 4,905.42	$ 1,096
150	DRG 150 PERIT ADHESIOLYSIS W CC	2.9172	2.8061	0.1111	3.96%	5.83	5.61	0.22	$ 4,905.42	$ 1,090
151	DRG 151 PERIT ADHESIOLYSIS W/O CC	1.3530	1.2641	0.0889	7.03%	2.71	2.53	0.18	$ 4,905.42	$ 872
154	DRG 154 STOM/ESOPH/DUOD AGE >17 W CC	4.2032	4.0399	0.1633	4.04%	21.02	20.20	0.82	$ 4,905.42	$ 4,005
157	DRG 157 ANAL & STOMAL PROC W CC	1.4076	1.3356	0.072	5.39%	7.04	6.68	0.36	$ 4,905.42	$ 1,766
158	DRG 158 ANAL & STOMAL PROC W/O CC	0.7114	0.6657	0.0457	6.86%	0.71	0.67	0.05	$ 4,905.42	$ 224
159	DRG 159 HERNIA EXC ING/FEM AGE >17 W CC	1.4745	1.4081	0.0664	4.72%	1.47	1.41	0.07	$ 4,905.42	$ 326
160	DRG 160 HERNIA EXC ING/FEM AGE>17 W/O CC	0.8749	0.8431	0.0318	3.77%	0.87	0.84	0.03	$ 4,905.42	$ 156
161	DRG 161 INGUIN/FEMORL HERN AGE>17 W CC	1.2461	1.1931	0.053	4.44%	1.25	1.19	0.05	$ 4,905.42	$ 260
162	DRG 162 INGUIN/FEMORL HERN AGE>17 W/O CC	0.6982	0.6785	0.0197	2.90%	0.70	0.68	0.02	$ 4,905.42	$ 97
165	DRG 165 APPENDECTOMY-COM DX W/O CC	1.1907	1.1868	0.0039	0.33%	1.19	1.19	0.00	$ 4,905.42	$ 19
167	DRG 167 APPENDECTOMY W/O COMP DIA W/O CC	0.8536	0.8929	-0.0393	-4.40%	0.85	0.89	(0.04)	$ 4,905.42	$ (193)
168	DRG 168 MOUTH PROCEDURES W CC	1.3278	1.2662	0.0616	4.86%	1.33	1.27	0.06	$ 4,905.42	$ 302
170	DRG 170 OTH DIGESTIVE O.R. PROC W CC	2.9351	2.9612	-0.0261	-0.88%	14.68	14.81	(0.13)	$ 4,905.42	$ (640)

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
172	DRG 172 DIGESTIVE MALIGNANCY W CC	1.4585	1.4125	0.046	3.26%	10.21	9.89	0.32	$ 4,905.42	$ 1,580
174	DRG 174 G.I. HEMORRHAGE W CC	1.1360	1.006	0.13	12.92%	82.93	73.44	9.49	$ 4,905.42	$ 46,552
175	DRG 175 G.I. HEMORRHAGE W/O CC	0.6295	0.5646	0.0649	11.49%	1.26	1.13	0.13	$ 4,905.42	$ 637
176	DRG 176 COMPLICATED PEPTIC ULCER	1.1757	1.1246	0.0511	4.54%	8.23	7.87	0.36	$ 4,905.42	$ 1,755
177	DRG 177 UNCOMPL PEPTIC ULCER W CC	0.9595	0.9166	0.0429	4.68%	4.80	4.58	0.21	$ 4,905.42	$ 1,052
179	DRG 179 INFLAMMATORY BOWEL DISEASE	1.1460	1.0911	0.0549	5.03%	4.58	4.36	0.22	$ 4,905.42	$ 1,077
180	DRG 180 G.I. OBSTRUCTION W CC	1.0702	0.9784	0.0918	9.38%	27.83	25.44	2.39	$ 4,905.42	$ 11,708
181	DRG 181 G.I. OBSTRUCTION W/O CC	0.6400	0.5614	0.0786	14.00%	1.92	1.68	0.24	$ 4,905.42	$ 1,157
182	DRG 182 ESOPH/GAST/MISC DIG AGE>17 W CC	0.9046	0.8413	0.0633	7.52%	120.31	111.89	8.42	$ 4,905.42	$ 41,298
183	DRG 183 ESOPH/GAST/MISC DIG AGE>17 W/O C	0.6078	0.5848	0.023	3.93%	17.02	16.37	0.64	$ 4,905.42	$ 3,159
187	DRG 187 DENTAL EXTRACTIONS & RESTORATNS	0.8880	0.8363	0.0517	6.18%	1.78	1.67	0.10	$ 4,905.42	$ 507
188	DRG 188 OTH DIGESTIVE DXS AGE >17 W CC	1.1808	1.129	0.0518	4.59%	33.06	31.61	1.45	$ 4,905.42	$ 7,115
189	DRG 189 OTH DIGESTIVE DXS AGE >17 W/O CC	0.6314	0.6064	0.025	4.12%	3.79	3.64	0.15	$ 4,905.42	$ 736
191	DRG 191 PANC/LIVER/SHUNT PROC W CC	3.9647	3.968	-0.0033	-0.08%	3.96	3.97	(0.00)	$ 4,905.42	$ (16)
194	DRG 194 BILIARY EXC CHOLEC W/O CC	1.6583	1.5748	0.0835	5.30%	1.66	1.57	0.08	$ 4,905.42	$ 410
195	DRG 195 CHOLEC W/ CDE W CC	3.0330	3.053	-0.02	-0.66%	3.03	3.05	(0.02)	$ 4,905.42	$ (98)
197	DRG 197 CHOLEC EXCP LAPARO W/O CDE W CC	2.6196	2.5425	0.0771	3.03%	2.62	2.54	0.08	$ 4,905.42	$ 378
198	DRG 198 CHOLEC EXCP LAPARO W/O CDE W/O C	1.2463	1.1604	0.0859	7.40%	1.25	1.16	0.09	$ 4,905.42	$ 421
199	DRG 199 HEPATOBILIARY DX PROC-MALIGNANCY	2.3139	2.4073	-0.0934	-3.88%	2.31	2.41	(0.09)	$ 4,905.42	$ (458)
201	DRG 201 OTH HEPATO OR PANCREAS O.R. PROC	3.6519	3.7339	-0.082	-2.20%	3.65	3.73	(0.08)	$ 4,905.42	$ (402)
202	DRG 202 CIRRHOSIS & ALCOHOLIC HEPATITIS	1.4205	1.3318	0.0887	6.66%	14.21	13.32	0.89	$ 4,905.42	$ 4,351
203	DRG 203 MALIGN-HEPATOBILIARY OR PANCREAS	1.3745	1.3552	0.0193	1.42%	19.24	18.97	0.27	$ 4,905.42	$ 1,325
204	DRG 204 DISOR-PANCREAS EXCEPT MALIGNANCY	1.1749	1.1249	0.05	4.44%	9.40	9.00	0.40	$ 4,905.42	$ 1,962
205	DRG 205 DISOR-LIV EXC MA/CI/ALC HEP W CC	1.2942	1.2059	0.0883	7.32%	5.18	4.82	0.35	$ 4,905.42	$ 1,733
206	DRG 206 DISOR-LIV EXC MA/CI/ALC HEP W/O	0.7720	0.7292	0.0428	5.87%	0.77	0.73	0.04	$ 4,905.42	$ 210
207	DRG 207 DISOR-BILIARY TRACT W CC	1.2145	1.1746	0.0399	3.40%	17.00	16.44	0.56	$ 4,905.42	$ 2,740
208	DRG 208 DISOR-BILIARY TRACT W/O CC	0.6986	0.6895	0.0091	1.32%	1.40	1.38	0.02	$ 4,905.42	$ 89
544	DRG 209 NLV - MAJ JNT/LIMB REAT-LOW EXT	1.8941	1.9643	-0.0702	-3.57%	18.94	19.64	(0.70)	$ 4,905.42	$ (3,444)
210	DRG 210 HIP/FEM EXC MAJ JNT AGE>17 W CC	2.0150	1.9059	0.1091	5.72%	98.74	93.39	5.35	$ 4,905.42	$ 26,224
211	DRG 211 HIP/FEM EXC MAJ JNT AGE>17 W/O C	1.3653	1.269	0.0963	7.59%	5.46	5.08	0.39	$ 4,905.42	$ 1,890

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
216	DRG 216 BIOP-MUSCULOSKEL/CONN TISSUE	1.7169	1.9131	-0.1962	-10.26%	1.72	1.91	(0.20)	$ 4,905.42	$ (962)
217	DRG 217 WND DEBRID/SKN GRFT EXC HND-MSCN	3.1361	3.0596	0.0765	2.50%	9.41	9.18	0.23	$ 4,905.42	$ 1,126
218	DRG 218 LWR EXTRM/HUM EXC HFF AGE>17 CC	1.7105	1.6648	0.0457	2.75%	15.39	14.98	0.41	$ 4,905.42	$ 2,018
219	DRG 219 LWR EXTRM/HUM EXC HFF AGE>17 W/O	1.1071	1.0443	0.0628	6.01%	1.11	1.04	0.06	$ 4,905.42	$ 308
223	DRG 223 MAJ SHOUL/ELB OTHR UP EXTRM W CC	1.1303	1.1164	0.0139	1.25%	2.26	2.23	0.03	$ 4,905.42	$ 136
225	DRG 225 FOOT PROCEDURES	1.3235	1.2251	0.0984	8.03%	1.32	1.23	0.10	$ 4,905.42	$ 483
226	DRG 226 SOFT TISSUE PROC W CC	1.6783	1.5884	0.0899	5.66%	1.68	1.59	0.09	$ 4,905.42	$ 441
227	DRG 227 SOFT TISSUE PROC W/O CC	0.8719	0.8311	0.0408	4.91%	0.87	0.83	0.04	$ 4,905.42	$ 200
236	DRG 236 FRACTURES OF HIP & PELVIS	0.8791	0.7407	0.1384	18.69%	10.55	8.89	1.66	$ 4,905.42	$ 8,147
237	DRG 237 SPRNS/STRNS/DISL-HIP/PEL/THIGH	0.7345	0.609	0.1255	20.61%	0.73	0.61	0.13	$ 4,905.42	$ 616
238	DRG 238 OSTEOMYELITIS	1.5466	1.4401	0.1065	7.40%	4.64	4.32	0.32	$ 4,905.42	$ 1,567
239	DRG 239 PATH FRAC/MUSC/CON TIS MALIGNCY	1.2001	1.0767	0.1234	11.46%	43.20	38.76	4.44	$ 4,905.42	$ 21,792
240	DRG 240 CONNECT TIS DISOR W CC	1.4523	1.4051	0.0472	3.36%	8.71	8.43	0.28	$ 4,905.42	$ 1,389
242	DRG 242 SEPTIC ARTHRITIS	1.2350	1.1504	0.0846	7.35%	3.71	3.45	0.25	$ 4,905.42	$ 1,245
243	DRG 243 MEDICAL BACK PROBLEMS	0.8680	0.7658	0.1022	13.35%	35.59	31.40	4.19	$ 4,905.42	$ 20,555
244	DRG 244 BONE DIS/SPEC ARTH W CC	0.8186	0.72	0.0986	13.69%	4.09	3.60	0.49	$ 4,905.42	$ 2,418
245	DRG 245 BONE DIS/SPEC ARTH W/O CC	0.5581	0.4583	0.0998	21.78%	2.23	1.83	0.40	$ 4,905.42	$ 1,958
246	DRG 246 NON-SPECIFIC ARTHROPATHIES	0.6742	0.5932	0.081	13.65%	0.67	0.59	0.08	$ 4,905.42	$ 397
247	DRG 247 SGNS/SYMP-MUSC/CONN TISSUE	0.6852	0.5795	0.1057	18.24%	2.74	2.32	0.42	$ 4,905.42	$ 2,074
248	DRG 248 TENDONITIS MYOSITIS & BURSITIS	0.9368	0.8554	0.0814	9.52%	10.30	9.41	0.90	$ 4,905.42	$ 4,392
249	DRG 249 AFCARE-MUSCULOSK/CONN TISSUE	0.8157	0.7095	0.1062	14.97%	2.45	2.13	0.32	$ 4,905.42	$ 1,563
251	DRG 251 FX/DISL-FRARM/HND/FT >17 W/O CC	0.5561	0.4749	0.0812	17.10%	0.56	0.47	0.08	$ 4,905.42	$ 398
253	DRG 253 FX/DL-UPARM/LWLG EX FT AGE>17 CC	0.9049	0.7747	0.1302	16.81%	8.14	6.97	1.17	$ 4,905.42	$ 5,748
254	DRG 254 FX/DL-UPARM/LWLG EX FT >17 W/O C	0.5741	0.4588	0.1153	25.13%	2.87	2.29	0.58	$ 4,905.42	$ 2,828
256	DRG 256 OTH DXS-MUSC/CONNECTIVE TISSUE	0.9598	0.8509	0.1089	12.80%	5.76	5.11	0.65	$ 4,905.42	$ 3,205
257	DRG 257 TOT MASTEC-MALIGNCY W CC	0.9016	0.8967	0.0049	0.55%	0.90	0.90	0.00	$ 4,905.42	$ 24
263	DRG 263 SKN GRFT-SKN ULC/CEL W CC	2.2702	2.113	0.1572	7.44%	6.81	6.34	0.47	$ 4,905.42	$ 2,313
265	DRG 265 SKN GRFT EXC SKN ULC/CEL W CC	1.6907	1.6593	0.0314	1.89%	1.69	1.66	0.03	$ 4,905.42	$ 154
266	DRG 266 SKN GRFT EXC SKN ULC/CEL W/O CC	0.9200	0.8637	0.0563	6.52%	0.92	0.86	0.06	$ 4,905.42	$ 276
267	DRG 267 PERIANAL & PILONIDAL PROCEDURES	0.9870	0.8962	0.0908	10.13%	0.99	0.90	0.09	$ 4,905.42	$ 445

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
269	DRG 269 OTH SKN/SCUT TIS/BRST W CC	1.8802	1.8352	0.045	2.45%	5.64	5.51	0.14	$ 4,905.42	$ 662
271	DRG 271 SKIN ULCERS	1.2353	1.0195	0.2158	21.17%	19.76	16.31	3.45	$ 4,905.42	$ 16,937
272	DRG 272 MAJOR SKIN DISOR W CC	1.1364	0.986	0.1504	15.25%	5.68	4.93	0.75	$ 4,905.42	$ 3,689
277	DRG 277 CELLULITIS AGE >17 W CC	1.0015	0.8676	0.1339	15.43%	34.05	29.50	4.55	$ 4,905.42	$ 22,332
278	DRG 278 CELLULITIS AGE >17 W/O CC	0.6817	0.5391	0.1426	26.45%	6.82	5.39	1.43	$ 4,905.42	$ 6,995
280	DRG 280 TRMA-SKN/SCT TIS/BRST AGE >17 CC	0.8212	0.7313	0.0899	12.29%	4.93	4.39	0.54	$ 4,905.42	$ 2,646
281	DRG 281 TRMA-SKN/SCT TIS/BRST >17 W/O CC	0.5678	0.4913	0.0765	15.57%	0.57	0.49	0.08	$ 4,905.42	$ 375
283	DRG 283 MINOR SKIN DISOR W CC	0.8525	0.7423	0.1102	14.85%	1.71	1.48	0.22	$ 4,905.42	$ 1,081
285	DRG 285 AMPUT-ENDOC/NUTR/METAB DISORDERS	2.3169	2.1831	0.1338	6.13%	4.63	4.37	0.27	$ 4,905.42	$ 1,313
287	DRG 287 SKN GRFT/WND DEBR-ENDOC/NUTR/MET	2.0354	1.947	0.0884	4.54%	4.07	3.89	0.18	$ 4,905.42	$ 867
290	DRG 290 THYROID PROCEDURES	0.8454	0.8891	-0.0437	-4.92%	0.85	0.89	(0.04)	$ 4,905.42	$ (214)
292	DRG 292 OTH ENDOC/NUTR/MET PROC W CC	2.6043	2.6395	-0.0352	-1.33%	13.02	13.20	(0.18)	$ 4,905.42	$ (863)
294	DRG 294 DIABETES AGE >35	0.8642	0.7652	0.099	12.94%	25.93	22.96	2.97	$ 4,905.42	$ 14,569
296	DRG 296 NUTR/MISC METAB AGE >17 W CC	0.9041	0.8187	0.0854	10.43%	42.49	38.48	4.01	$ 4,905.42	$ 19,689
297	DRG 297 NUTR/MISC METAB AGE >17 W/O CC	0.5589	0.4879	0.071	14.55%	2.79	2.44	0.36	$ 4,905.42	$ 1,741
300	DRG 300 ENDOCRINE DISOR W CC	1.1666	1.0922	0.0744	6.81%	10.50	9.83	0.67	$ 4,905.42	$ 3,285
301	DRG 301 ENDOCRINE DISOR W/O CC	0.6427	0.6118	0.0309	5.05%	0.64	0.61	0.03	$ 4,905.42	$ 152
303	DRG 303 KID/URE/MAJ BLDR-NEOPLASM	2.3084	2.2183	0.0901	4.06%	6.93	6.65	0.27	$ 4,905.42	$ 1,326
304	DRG 304 KID/URE/MAJ BLDR-NONNL W CC	2.3631	2.3761	-0.013	-0.55%	9.45	9.50	(0.05)	$ 4,905.42	$ (255)
307	DRG 307 PROSTATECTOMY W/O CC	0.6569	0.6202	0.0367	5.92%	0.66	0.62	0.04	$ 4,905.42	$ 180
308	DRG 308 MINOR BLADDER PROC W CC	1.7066	1.6349	0.0717	4.39%	1.71	1.63	0.07	$ 4,905.42	$ 352
310	DRG 310 TRANSURETHRAL PROC W CC	1.1913	1.1898	0.0015	0.13%	9.53	9.52	0.01	$ 4,905.42	$ 59
312	DRG 312 URETHRAL PROC AGE >17 W CC	1.1947	1.1159	0.0788	7.06%	1.19	1.12	0.08	$ 4,905.42	$ 387
315	DRG 315 OTHER KIDNEY/URINARY TRACT PROC	1.9482	2.0823	-0.1341	-6.44%	11.69	12.49	(0.80)	$ 4,905.42	$ (3,947)
316	DRG 316 RENAL FAILURE	1.3481	1.2692	0.0789	6.22%	140.20	132.00	8.21	$ 4,905.42	$ 40,252
320	DRG 320 KID/URINARY INFECT AGE>17 W CC	0.9538	0.8658	0.088	10.16%	82.98	75.32	7.66	$ 4,905.42	$ 37,556
321	DRG 321 KID/URINARY INFECT AGE>17 W/O CC	0.6512	0.5652	0.086	15.22%	5.21	4.52	0.69	$ 4,905.42	$ 3,375
323	DRG 323 URIN STONES W CC &/OR ESW LITH	0.8239	0.8214	0.0025	0.30%	9.89	9.86	0.03	$ 4,905.42	$ 147
324	DRG 324 URINARY STONES W/O CC	0.5233	0.505	0.0183	3.62%	1.05	1.01	0.04	$ 4,905.42	$ 180
325	DRG 325 KID/URINARY SGN/SYM AGE >17 W CC	0.7334	0.6436	0.0898	13.95%	1.47	1.29	0.18	$ 4,905.42	$ 881
331	DRG 331 OTH KID/URINARY DXS AGE>17 W CC	1.1580	1.0619	0.0961	9.05%	23.16	21.24	1.92	$ 4,905.42	$ 9,428
332	DRG 332 OTH KID/URINARY DXS AGE>17 W/O C	0.6602	0.616	0.0442	7.18%	0.66	0.62	0.04	$ 4,905.42	$ 217

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
334	DRG 334 MAJOR MALE PELVIC PROC W CC	1.4154	1.4368	-0.0214	-1.49%	2.83	2.87	(0.04)	$ 4,905.42	$ (210)
335	DRG 335 MAJOR MALE PELVIC PROC W/O CC	1.0701	1.1004	-0.0303	-2.75%	2.14	2.20	(0.06)	$ 4,905.42	$ (297)
336	DRG 336 TRANSURETH PROSTATEC W CC	0.8824	0.8425	0.0399	4.74%	12.35	11.80	0.56	$ 4,905.42	$ 2,740
337	DRG 337 TRANSURETH PROSTATEC W/O CC	0.5989	0.5747	0.0242	4.21%	2.99	2.87	0.12	$ 4,905.42	$ 594
341	DRG 341 PENIS PROCEDURES	1.2527	1.2622	-0.0095	-0.75%	1.25	1.26	(0.01)	$ 4,905.42	$ (47)
345	DRG 345 OTH MALE REPRO EXCEPT FOR MALIG	1.3524	1.1472	0.2052	17.89%	1.35	1.15	0.21	$ 4,905.42	$ 1,007
350	DRG 350 INFLAMMATION OF THE MALE REPRO	0.8552	0.7289	0.1263	17.33%	1.71	1.46	0.25	$ 4,905.42	$ 1,239
352	DRG 352 OTH MALE REPRODUCTIVE SYSTEM DXS	0.8690	0.736	0.133	18.07%	0.87	0.74	0.13	$ 4,905.42	$ 652
354	DRG 354 UTER/ADN PRC NON-OV/ADN MALI W C	1.5594	1.5135	0.0459	3.03%	3.12	3.03	0.09	$ 4,905.42	$ 450
355	DRG 355 UTER/ADN PRC NON-OV/ADN MALI W/O	0.9349	0.8824	0.0525	5.95%	2.80	2.65	0.16	$ 4,905.42	$ 773
356	DRG 356 FEMALE REPRO RECONST PROC	0.7426	0.7428	-0.0002	-0.03%	2.97	2.97	(0.00)	$ 4,905.42	$ (4)
358	DRG 358 UTER & ADNXA PROC NON-MAL W CC	1.1816	1.1448	0.0368	3.21%	5.91	5.72	0.18	$ 4,905.42	$ 903
359	DRG 359 UTER & ADNXA PROC NON-MAL W/O CC	0.8258	0.7948	0.031	3.90%	8.26	7.95	0.31	$ 4,905.42	$ 1,521
365	DRG 365 OTH FEMALE REPRO O.R. PROCEDURES	2.0803	2.0408	0.0395	1.94%	4.16	4.08	0.08	$ 4,905.42	$ 388
366	DRG 366 MALIG FEMALE REPRO W CC	1.2888	1.2348	0.054	4.37%	5.16	4.94	0.22	$ 4,905.42	$ 1,060
368	DRG 368 INFECTIONS FEMALE REPRO SYS	1.2262	1.1684	0.0578	4.95%	2.45	2.34	0.12	$ 4,905.42	$ 567
378	DRG 378 ECTOPIC PREGNANCY	0.7782	0.7472	0.031	4.15%	0.78	0.75	0.03	$ 4,905.42	$ 152
383	DRG 383 OTH ANTEPARTUM DXS W/COM	0.6683	0.5053	0.163	32.26%	0.67	0.51	0.16	$ 4,905.42	$ 800
395	DRG 395 RED BLOOD CELL DISOR AGE >17	0.9413	0.8328	0.1085	13.03%	15.06	13.32	1.74	$ 4,905.42	$ 8,516
397	DRG 397 COAGULATION DISORDERS	1.3611	1.2986	0.0625	4.81%	2.72	2.60	0.13	$ 4,905.42	$ 613
398	DRG 398 RETICUL/IMMUNITY W CC	1.2912	1.2082	0.083	6.87%	5.16	4.83	0.33	$ 4,905.42	$ 1,629
401	DRG 401 LYMPH&NON-ACUT LEUK W OTH PRC CC	2.8703	2.9678	-0.0975	-3.29%	2.87	2.97	(0.10)	$ 4,905.42	$ (478)
402	DRG 402 LYMPH&NON-ACUT LK W OTH PR W/O C	1.1380	1.181	-0.043	-3.64%	1.14	1.18	(0.04)	$ 4,905.42	$ (211)
403	DRG 403 LYMPH&NON-ACUT LEUKEMIA W CC	1.8986	1.8432	0.0554	3.01%	22.78	22.12	0.66	$ 4,905.42	$ 3,261
406	DRG 406 MYEL/NEOPLASM W MAJ PROC W CC	2.7839	2.7897	-0.0058	-0.21%	2.78	2.79	(0.01)	$ 4,905.42	$ (28)
410	DRG 410 CHEMOTHERAPY W/O ACUTE LEUKEMIA	1.0178	1.1069	-0.0891	-8.05%	1.02	1.11	(0.09)	$ 4,905.42	$ (437)
413	DRG 413 OTH MYEL/NEOPL DXS W CC	1.4097	1.3048	0.1049	8.04%	4.23	3.91	0.31	$ 4,905.42	$ 1,544
415	DRG 415 O.R. PROC-INFECT/PARAS DISEASES	4.1393	3.989	0.1503	3.77%	111.76	107.70	4.06	$ 4,905.42	$ 19,907
416	DRG 416 SEPTICEMIA AGE >17	1.8340	1.6774	0.1566	9.34%	348.46	318.71	29.75	$ 4,905.42	$ 145,956

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
418	DRG 418 POSTOPERATIVE/TRAUMATIC INFECTNS	1.1938	1.0716	0.1222	11.40%	3.58	3.21	0.37	$ 4,905.42	$ 1,798
419	DRG 419 FEVER OF UNK ORIG AGE >17 W CC	0.8951	0.8453	0.0498	5.89%	6.27	5.92	0.35	$ 4,905.42	$ 1,710
420	DRG 420 FEVER OF UNK ORIG AGE >17 W/O CC	0.6263	0.6077	0.0186	3.06%	1.25	1.22	0.04	$ 4,905.42	$ 182
421	DRG 421 VIRAL ILLNESS AGE >17	0.8210	0.7664	0.0546	7.12%	6.57	6.13	0.44	$ 4,905.42	$ 2,143
423	DRG 423 OTH INFECT/PARAS DISEASES DXS	1.9053	1.9196	-0.0143	-0.74%	7.62	7.68	(0.06)	$ 4,905.42	$ (281)
424	DRG 424 O.R. PROC W PRINC DX=MENTAL ILL	2.3978	2.2773	0.1205	5.29%	2.40	2.28	0.12	$ 4,905.42	$ 591
425	DRG 425 AC ADJ REACT/DIST-PSY DYSFUNCTN	0.7075	0.6191	0.0884	14.28%	4.95	4.33	0.62	$ 4,905.42	$ 3,035
426	DRG 426 DEPRESSIVE NEUROSES	0.7464	0.4656	0.2808	60.31%	0.75	0.47	0.28	$ 4,905.42	$ 1,377
429	DRG 429 ORGANIC DISTURBS/MENTAL RETRDTN	0.9614	0.7919	0.1695	21.40%	10.58	8.71	1.86	$ 4,905.42	$ 9,146
430	DRG 430 PSYCHOSES	1.2316	0.6483	0.5833	89.97%	7.39	3.89	3.50	$ 4,905.42	$ 17,168
440	DRG 440 WOUND DEBRIDEMENTS FOR INJURIES	2.0128	1.9457	0.0671	3.45%	2.01	1.95	0.07	$ 4,905.42	$ 329
442	DRG 442 OTH O.R. PROC-INJURIES W CC	2.6213	2.566	0.0553	2.16%	7.86	7.70	0.17	$ 4,905.42	$ 814
443	DRG 443 OTH O.R. PROC-INJURIES W/O CC	1.0919	0.9943	0.0976	9.82%	1.09	0.99	0.10	$ 4,905.42	$ 479
444	DRG 444 TRAUMATIC INJURY AGE >17 W CC	0.8329	0.7556	0.0773	10.23%	2.50	2.27	0.23	$ 4,905.42	$ 1,138
447	DRG 447 ALLERGIC REACTIONS AGE >17	0.6470	0.5569	0.0901	16.18%	1.94	1.67	0.27	$ 4,905.42	$ 1,326
449	DRG 449 POIS/TOXIC EFF-DRUGS AGE>17 W CC	0.9882	0.8529	0.1353	15.86%	6.92	5.97	0.95	$ 4,905.42	$ 4,646
450	DRG 450 POIS/TOXIC EFF-DRUGS AGE>17 W/O	0.5741	0.4282	0.1459	34.07%	0.57	0.43	0.15	$ 4,905.42	$ 716
452	DRG 452 COMPL OF TREATMENT W CC	1.1377	1.0462	0.0915	8.75%	7.96	7.32	0.64	$ 4,905.42	$ 3,142
463	DRG 463 SIGNS & SYMPTOMS W CC	0.7661	0.696	0.0701	10.07%	9.19	8.35	0.84	$ 4,905.42	$ 4,126
464	DRG 464 SIGNS & SYMPTOMS W/O CC	0.5663	0.5055	0.0608	12.03%	1.70	1.52	0.18	$ 4,905.42	$ 895
468	DRG 468 EXT O.R. PROC UNREL TO PRINC DX	3.8122	4.0031	-0.1909	-4.77%	61.00	64.05	(3.05)	$ 4,905.42	$ (14,983)
470	DRG 470 UNGROUPABLE	0.0000	0	0	#DIV/0!	-	-	-	$ 4,905.42	$ -
471	DRG 471 BIL/MULT MAJ JNT PROC-LWR EXTR	2.7365	3.1391	-0.4026	-12.83%	5.47	6.28	(0.81)	$ 4,905.42	$ (3,950)
473	DRG 473 ACUTE LEUK W/O MAJ PROC AGE >17	3.4703	3.4231	0.0472	1.38%	6.94	6.85	0.09	$ 4,905.42	$ 463
475	DRG 475 RESP SYS DX W/VENTILATOR SUP	3.8279	3.6091	0.2188	6.06%	91.87	86.62	5.25	$ 4,905.42	$ 25,759
476	DRG 476 PROST O.R. PROC UNREL TO PRIN DX	2.1079	2.1822	-0.0743	-3.40%	2.11	2.18	(0.07)	$ 4,905.42	$ (364)
477	DRG 477 NON-EXT OR PROC UNREL TO PRIN DX	2.0694	2.0607	0.0087	0.42%	33.11	32.97	0.14	$ 4,905.42	$ 683
554	DRG 478 NLV - OTHER VASCULAR PROC W CC	1.9483	2.0721	-0.1238	-5.97%	1.95	2.07	(0.12)	$ 4,905.42	$ (607)
479	DRG 479 OTHER VASCULAR PROC W/O CC	1.2715	1.4434	-0.1719	-11.91%	1.27	1.44	(0.17)	$ 4,905.42	$ (843)

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
487	DRG 487 OTHER MULT SIGN TRAUMA	2.1184	1.9459	0.1725	8.86%	2.12	1.95	0.17	$ 4,905.42	$ 846
489	DRG 489 HIV W MAJOR REL CONDITION	1.7760	1.8058	-0.0298	-1.65%	1.78	1.81	(0.03)	$ 4,905.42	$ (146)
491	DRG 491 MAJ JOINT & LIMB REATTACH-UP EXT	1.5997	1.678	-0.0783	-4.67%	6.40	6.71	(0.31)	$ 4,905.42	$ (1,536)
493	DRG 493 LAPARO CHOLEC W/O C.D.E. W CC	1.7812	1.8333	-0.0521	-2.84%	44.53	45.83	(1.30)	$ 4,905.42	$ (6,389)
494	DRG 494 LAPARO CHOLEC W/O C.D.E. W/O CC	0.9795	1.0285	-0.049	-4.76%	0.98	1.03	(0.05)	$ 4,905.42	$ (240)
497	DRG 497 SPINAL FUSION W CC	3.3300	3.6224	-0.2924	-8.07%	26.64	28.98	(2.34)	$ 4,905.42	$ (11,475)
498	DRG 498 SPINAL FUSION W/O CC	2.5267	2.7791	-0.2524	-9.08%	5.05	5.56	(0.50)	$ 4,905.42	$ (2,476)
499	DRG 499 BACK-NECK PROC EX SPNL FUSN W CC	1.3408	1.3831	-0.0423	-3.06%	21.45	22.13	(0.68)	$ 4,905.42	$ (3,320)
500	DRG 500 BACK-NECK PROC EX SPNL FUSN W/O	0.8707	0.9046	-0.0339	-3.75%	3.48	3.62	(0.14)	$ 4,905.42	$ (665)
510	DRG 510 NON-EXT BURN W CC OR SIG TR	1.4467	1.1817	0.265	22.43%	2.89	2.36	0.53	$ 4,905.42	$ 2,600
519	DRG 519 CERVICAL SPINAL FUSION W CC	2.2859	2.4695	-0.1836	-7.43%	6.86	7.41	(0.55)	$ 4,905.42	$ (2,702)
520	DRG 520 CERVICAL SPINAL FUSION W/O CC	1.4721	1.6788	-0.2067	-12.31%	2.94	3.36	(0.41)	$ 4,905.42	$ (2,028)
521	DRG 521 ALC/DRUG ABUSE/DEPEND W CC	0.9157	0.6939	0.2218	31.96%	0.92	0.69	0.22	$ 4,905.42	$ 1,088
523	DRG 523 ALC/DRUG AB/DEPND W/O REH W/O CC	0.5474	0.3793	0.1681	44.32%	0.55	0.38	0.17	$ 4,905.42	$ 825
524	DRG 524 TRANSIENT ISCHEMIA	0.6913	0.7288	-0.0375	-5.15%	31.11	32.80	(1.69)	$ 4,905.42	$ (8,278)
531	DRG 531 SPINAL PROCEDURES W CC	3.0552	3.1279	-0.0727	-2.32%	6.11	6.26	(0.15)	$ 4,905.42	$ (713)
533	DRG 533 EXTRACRANIAL PROCEDURES W CC	1.4911	1.5767	-0.0856	-5.43%	26.84	28.38	(1.54)	$ 4,905.42	$ (7,558)
534	DRG 534 EXTRACRANIAL PROCEDURES W/O CC	0.9668	1.0201	-0.0533	-5.22%	4.83	5.10	(0.27)	$ 4,905.42	$ (1,307)
537	DRG 537 REM FIX DEV EXC HIP/FEM W CC	1.8568	1.836	0.0208	1.13%	5.57	5.51	0.06	$ 4,905.42	$ 306
538	DRG 538 REM FIX DEV EXC HIP/FEM W/O CC	1.0223	0.9833	0.039	3.97%	1.02	0.98	0.04	$ 4,905.42	$ 191
539	DRG 539 LYMPH & LEUK W MAJ OR PRC W CC	3.1235	3.2782	-0.1547	-4.72%	3.12	3.28	(0.15)	$ 4,905.42	$ (759)
541	DRG 541 TRA W MV 96+ / PDX EX F/M/N W OR	19.9990	19.8038	0.1952	0.99%	60.00	59.41	0.59	$ 4,905.42	$ 2,873
542	DRG 542 TRA W MV 96+ / PDX EX F/N W/O OR	12.5966	12.8719	-0.2753	-2.14%	62.98	64.36	(1.38)	$ 4,905.42	$ (6,752)
544	DRG 544 MAJ JOINT REPLAC/REATTACH-LOW EX	1.8941	1.9643	-0.0702	-3.57%	206.46	214.11	(7.65)	$ 4,905.42	$ (37,535)
545	DRG 545 REVISION - HIP/KNEE REPLACEMENT	2.4127	2.4827	-0.07	-2.82%	9.65	9.93	(0.28)	$ 4,905.42	$ (1,374)
551	DRG 551 PERM CAR PACE IMP W MAJ CV DX	2.6339	3.1007	-0.4668	-15.05%	34.24	40.31	(6.07)	$ 4,905.42	$ (29,768)
552	DRG 552 OTH PER CAR PAC IMP W/O MA CV DX	1.7670	2.0996	-0.3326	-15.84%	21.20	25.20	(3.99)	$ 4,905.42	$ (19,579)
553	DRG 553 OTH VAS PRC W CC W MAJ CV DX	2.8371	3.0957	-0.2586	-8.35%	28.37	30.96	(2.59)	$ 4,905.42	$ (12,685)
554	DRG 554 OTH VAS PRC W CC W/O MAJ CV DX	1.9483	2.0721	-0.1238	-5.97%	11.69	12.43	(0.74)	$ 4,905.42	$ (3,644)

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on AKMC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
	Total	1.33	1.28	0.05389432	4.21%	4,809.83	4,615.48	194.34		953,334

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on CGH
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
10	DRG 10 NERVOUS SYSTEM NEOPLASMS W CC	1.2513	1.2222	0.0291	2.38%	2.50	2.44	0.06	$ 4,905.42	$ 285
12	DRG 12 DEGENERATIVE NERV SYS DISORDERS	1.0105	0.8998	0.1107	12.30%	2.02	1.80	0.22	$ 4,905.42	$ 1,086
13	DRG 13 MULT SCLEROSIS/CEREBELLAR ATAXIA	0.9266	0.8575	0.0691	8.06%	2.78	2.57	0.21	$ 4,905.42	$ 1,017
14	DRG 14 INTRACRAN HEMOR OR CEREBRA INFAR	1.2480	1.2456	0.0024	0.19%	36.19	36.12	0.07	$ 4,905.42	$ 341
15	DRG 15 NONSPE CVA/PRECER OCCLU W/O INFA	0.9170	0.9421	-0.0251	-2.66%	2.75	2.83	(0.08)	$ 4,905.42	$ (369)
16	DRG 16 NONSPEC CEREBROVASC DISOR W CC	1.3632	1.3351	0.0281	2.10%	5.45	5.34	0.11	$ 4,905.42	$ 551
17	DRG 17 NONSPEC CEREBROVASC DISOR W/O CC	0.6692	0.7229	-0.0537	-7.43%	0.67	0.72	(0.05)	$ 4,905.42	$ (263)
18	DRG 18 CRAN/PER NERV DISOR W CC	1.0501	0.9903	0.0598	6.04%	6.30	5.94	0.36	$ 4,905.42	$ 1,760
20	DRG 20 NERV INFECTN EXC VIRAL MENINGITI	2.7596	2.7865	-0.0269	-0.97%	2.76	2.79	(0.03)	$ 4,905.42	$ (132)
22	DRG 22 HYPERTENSIVE ENCEPHALOPATHY	1.2386	1.1304	0.1082	9.57%	1.24	1.13	0.11	$ 4,905.42	$ 531
23	DRG 23 NONTRAUMATIC STUPOR & COMA	0.8423	0.7712	0.0711	9.22%	3.37	3.08	0.28	$ 4,905.42	$ 1,395
24	DRG 24 SEIZURE & HEADACHE AGE >17 W CC	1.0388	0.997	0.0418	4.19%	2.08	1.99	0.08	$ 4,905.42	$ 410
25	DRG 25 SEIZURE+HEADACHE AGE >17 W/O CC	0.6436	0.618	0.0256	4.14%	1.29	1.24	0.05	$ 4,905.42	$ 251
31	DRG 31 CONCUSSION AGE >17 W CC	0.9511	0.9567	-0.0056	-0.59%	0.95	0.96	(0.01)	$ 4,905.42	$ (27)
34	DRG 34 OTH DISOR-NERV SYS W CC	1.0347	1.0062	0.0285	2.83%	12.42	12.07	0.34	$ 4,905.42	$ 1,678
35	DRG 35 OTH DISOR-NERV SYS W/O CC	0.6453	0.6241	0.0212	3.40%	0.65	0.62	0.02	$ 4,905.42	$ 104
51	DRG 51 SAL GLAND PRC EX SIALOADENECTOMY	0.8841	0.8809	0.0032	0.36%	0.88	0.88	0.00	$ 4,905.42	$ 16
64	DRG 64 EAR/NOSE/THROAT MALIG	1.2875	1.1663	0.1212	10.39%	1.29	1.17	0.12	$ 4,905.42	$ 595
65	DRG 65 DYSEQUILIBRIUM	0.5799	0.5991	-0.0192	-3.20%	8.12	8.39	(0.27)	$ 4,905.42	$ (1,319)
66	DRG 66 EPISTAXIS	0.6790	0.5958	0.0832	13.96%	0.68	0.60	0.08	$ 4,905.42	$ 408
69	DRG 69 OTITIS MEDIA/URI AGE >17 W/O CC	0.5706	0.485	0.0856	17.65%	1.14	0.97	0.17	$ 4,905.42	$ 840
73	DRG 73 OTH EAR/NOSE/THROAT DX AGE >17	0.9140	0.8527	0.0613	7.19%	1.83	1.71	0.12	$ 4,905.42	$ 601
75	DRG 75 MAJOR CHEST PROCEDURES	3.0790	3.0732	0.0058	0.19%	3.08	3.07	0.01	$ 4,905.42	$ 28
76	DRG 76 OTH RESP SYSTEM O.R. PROC W CC	2.7410	2.883	-0.142	-4.93%	8.22	8.65	(0.43)	$ 4,905.42	$ (2,090)
78	DRG 78 PULMONARY EMBOLISM	1.3229	1.2427	0.0802	6.45%	9.26	8.70	0.56	$ 4,905.42	$ 2,754
79	DRG 79 RESP INFEC/INFL AGE >17 W CC	1.7331	1.6238	0.1093	6.73%	31.20	29.23	1.97	$ 4,905.42	$ 9,651
82	DRG 82 RESPIRATORY NEOPLASMS	1.4335	1.3936	0.0399	2.86%	12.90	12.54	0.36	$ 4,905.42	$ 1,762
83	DRG 83 MAJ CHEST TRAUMA W CC	1.1185	0.9828	0.1357	13.81%	1.12	0.98	0.14	$ 4,905.42	$ 666
84	DRG 84 MAJ CHEST TRAUMA W/O CC	0.6523	0.5799	0.0724	12.48%	0.65	0.58	0.07	$ 4,905.42	$ 355
85	DRG 85 PLEURAL EFFUSION W CC	1.2935	1.2405	0.053	4.27%	7.76	7.44	0.32	$ 4,905.42	$ 1,560
87	DRG 87 PULMONARY EDEMA & RESP FAILURE	1.5310	1.3654	0.1656	12.13%	42.87	38.23	4.64	$ 4,905.42	$ 22,745
88	DRG 88 CHRONIC OBSTRUCTIVE PULM DISEASE	0.9557	0.8778	0.0779	8.87%	58.30	53.55	4.75	$ 4,905.42	$ 23,310
89	DRG 89 SIMP PNEUM/PLEUR AGE >17 W CC	1.1291	1.032	0.0971	9.41%	76.78	70.18	6.60	$ 4,905.42	$ 32,390
90	DRG 90 SIMP PNEUM/PLEUR AGE >17 W/O CC	0.7043	0.6104	0.0939	15.38%	2.11	1.83	0.28	$ 4,905.42	$ 1,382
92	DRG 92 INTERSTITIAL LUNG W CC	1.2410	1.1853	0.0557	4.70%	1.24	1.19	0.06	$ 4,905.42	$ 273
94	DRG 94 PNEUMOTHORAX W CC	1.2852	1.1354	0.1498	13.19%	1.29	1.14	0.15	$ 4,905.42	$ 735

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
96	DRG 96 BRONCH/ASTHMA AGE >17 W CC	0.8093	0.7303	0.079	10.82%	5.67	5.11	0.55	$ 4,905.42	$ 2,713
97	DRG 97 BRONCH/ASTHMA AGE >17 W/O CC	0.6199	0.5364	0.0835	15.57%	3.10	2.68	0.42	$ 4,905.42	$ 2,048
99	DRG 99 RESP SIGNS/SYMPS W CC	0.7101	0.7094	0.0007	0.10%	0.71	0.71	0.00	$ 4,905.42	$ 3
101	DRG 101 OTH RESPIRATORY DXS W CC	0.9106	0.8733	0.0373	4.27%	2.73	2.62	0.11	$ 4,905.42	$ 549
102	DRG 102 OTH RESPIRATORY DXS W/O CC	0.5625	0.5402	0.0223	4.13%	1.69	1.62	0.07	$ 4,905.42	$ 328
113	DRG 113 AMPUTN-CIRC SYS EXC UPR LIMB/TOE	3.3828	3.1682	0.2146	6.77%	10.15	9.50	0.64	$ 4,905.42	$ 3,158
114	DRG 114 UPR LIMB/TOE AMPUTN-CIRC SYS DIS	1.8874	1.7354	0.152	8.76%	1.89	1.74	0.15	$ 4,905.42	$ 746
552	DRG 116 NLV - OTH PERM CARD PACE IMPLA	1.7670	2.0996	-0.3326	-15.84%	3.53	4.20	(0.67)	$ 4,905.42	$ (3,263)
120	DRG 120 OTH CIRCULATORY SYS O.R. PROC	2.3109	2.3853	-0.0744	-3.12%	2.31	2.39	(0.07)	$ 4,905.42	$ (365)
121	DRG 121 CIRC DIS W/AMI & MAJ COMP ALIVE	1.6883	1.6136	0.0747	4.63%	33.77	32.27	1.49	$ 4,905.42	$ 7,329
122	DRG 122 CIRC DIS W/AMI W/O MAJ COMP ALIV	0.9802	0.9847	-0.0045	-0.46%	5.88	5.91	(0.03)	$ 4,905.42	$ (132)
123	DRG 123 CIRC DISOR-AMI-EXPIRED	1.6053	1.5407	0.0646	4.19%	3.21	3.08	0.13	$ 4,905.42	$ 634
124	DRG 124 CIRC DIS EX AMI W/CATH COMP DX	1.1670	1.4425	-0.2755	-19.10%	12.84	15.87	(3.03)	$ 4,905.42	$ (14,866)
125	DRG 125 CIRC DIS EX AMI W/CAT W/O CMP DX	0.7862	1.0948	-0.3086	-28.19%	9.43	13.14	(3.70)	$ 4,905.42	$ (18,166)
127	DRG 127 HEART FAILURE & SHOCK	1.0635	1.0345	0.029	2.80%	72.32	70.35	1.97	$ 4,905.42	$ 9,673
128	DRG 128 DEEP VEIN THROMBOPHLEBITIS	0.8850	0.6949	0.1901	27.36%	1.77	1.39	0.38	$ 4,905.42	$ 1,865
129	DRG 129 CARDIAC ARREST UNEXPLAINED	1.1301	1.0404	0.0897	8.62%	1.13	1.04	0.09	$ 4,905.42	$ 440
130	DRG 130 PERIP VASC DISOR W CC	1.0637	0.9425	0.1212	12.86%	21.27	18.85	2.42	$ 4,905.42	$ 11,891
131	DRG 131 PERIP VASC DISOR W/O CC	0.6813	0.5566	0.1247	22.40%	2.04	1.67	0.37	$ 4,905.42	$ 1,835
132	DRG 132 ATHEROSCLEROSIS W CC	0.6482	0.6273	0.0209	3.33%	7.13	6.90	0.23	$ 4,905.42	$ 1,128
134	DRG 134 HYPERTENSION	0.6464	0.6068	0.0396	6.53%	7.11	6.67	0.44	$ 4,905.42	$ 2,137
135	DRG 135 CONGEN/VALV DISOR AGE >17 W CC	0.9122	0.8917	0.0205	2.30%	1.82	1.78	0.04	$ 4,905.42	$ 201
136	DRG 136 CONGEN/VALV DISOR AGE >17 W/O CC	0.5684	0.6214	-0.053	-8.53%	0.57	0.62	(0.05)	$ 4,905.42	$ (260)
138	DRG 138 ARRHYT/CONDUC DIS W CC	0.8504	0.8287	0.0217	2.62%	38.27	37.29	0.98	$ 4,905.42	$ 4,790
139	DRG 139 ARRHYT/CONDUC DIS W/O CC	0.5221	0.5227	-0.0006	-0.11%	4.18	4.18	(0.00)	$ 4,905.42	$ (24)
140	DRG 140 ANGINA PECTORIS	0.5846	0.5116	0.073	14.27%	1.75	1.53	0.22	$ 4,905.42	$ 1,074
141	DRG 141 SYNCOPE & COLLAPSE W CC	0.7009	0.7521	-0.0512	-6.81%	10.51	11.28	(0.77)	$ 4,905.42	$ (3,767)
142	DRG 142 SYNCOPE & COLLAPSE W/O CC	0.5312	0.5852	-0.054	-9.23%	3.19	3.51	(0.32)	$ 4,905.42	$ (1,589)
143	DRG 143 CHEST PAIN	0.5137	0.5659	-0.0522	-9.22%	7.71	8.49	(0.78)	$ 4,905.42	$ (3,841)
144	DRG 144 OTHER CIRCULATORY DXS W CC	1.3781	1.2761	0.102	7.99%	33.07	30.63	2.45	$ 4,905.42	$ 12,008
145	DRG 145 OTHER CIRCULATORY DXS W/O CC	0.5993	0.5835	0.0158	2.71%	0.60	0.58	0.02	$ 4,905.42	$ 78
148	DRG 148 MAJ SM/LG BOWEL PROC W CC	3.5831	3.4479	0.1352	3.92%	82.41	79.30	3.11	$ 4,905.42	$ 15,254
149	DRG 149 MAJ SM/LG BOWEL PROC W/O CC	1.5441	1.4324	0.1117	7.80%	1.54	1.43	0.11	$ 4,905.42	$ 548
150	DRG 150 PERIT ADHESIOLYSIS W CC	2.9172	2.8061	0.1111	3.96%	8.75	8.42	0.33	$ 4,905.42	$ 1,635
151	DRG 151 PERIT ADHESIOLYSIS W/O CC	1.3530	1.2641	0.0889	7.03%	1.35	1.26	0.09	$ 4,905.42	$ 436
154	DRG 154 STOM/ESOPH/DUOD AGE >17 W CC	4.2032	4.0399	0.1633	4.04%	4.20	4.04	0.16	$ 4,905.42	$ 801
157	DRG 157 ANAL & STOMAL PROC W CC	1.4076	1.3356	0.072	5.39%	1.41	1.34	0.07	$ 4,905.42	$ 353
159	DRG 159 HERNIA EXC ING/FEM AGE >17 W CC	1.4745	1.4081	0.0664	4.72%	2.95	2.82	0.13	$ 4,905.42	$ 651

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
160	DRG 160 HERNIA EXC ING/FEM AGE>17 W/O CC	0.8749	0.8431	0.0318	3.77%	2.62	2.53	0.10	$ 4,905.42	$ 468
161	DRG 161 INGUIN/FEMORL HERN AGE>17 W CC	1.2461	1.1931	0.053	4.44%	2.49	2.39	0.11	$ 4,905.42	$ 520
162	DRG 162 INGUIN/FEMORL HERN AGE>17 W/O CC	0.6982	0.6785	0.0197	2.90%	2.09	2.04	0.06	$ 4,905.42	$ 290
164	DRG 164 APPENDECTOMY-COM DX W CC	2.2048	2.2476	-0.0428	-1.90%	2.20	2.25	(0.04)	$ 4,905.42	$ (210)
166	DRG 166 APPENDECTOMY W/O COMP DIAG W CC	1.3900	1.4521	-0.0621	-4.28%	1.39	1.45	(0.06)	$ 4,905.42	$ (305)
167	DRG 167 APPENDECTOMY W/O COMP DIA W/O CC	0.8536	0.8929	-0.0393	-4.40%	1.71	1.79	(0.08)	$ 4,905.42	$ (386)
170	DRG 170 OTH DIGESTIVE O.R. PROC W CC	2.9351	2.9612	-0.0261	-0.88%	5.87	5.92	(0.05)	$ 4,905.42	$ (256)
172	DRG 172 DIGESTIVE MALIGNANCY W CC	1.4585	1.4125	0.046	3.26%	7.29	7.06	0.23	$ 4,905.42	$ 1,128
174	DRG 174 G.I. HEMORRHAGE W CC	1.1360	1.006	0.13	12.92%	48.85	43.26	5.59	$ 4,905.42	$ 27,421
175	DRG 175 G.I. HEMORRHAGE W/O CC	0.6295	0.5646	0.0649	11.49%	0.63	0.56	0.06	$ 4,905.42	$ 318
176	DRG 176 COMPLICATED PEPTIC ULCER	1.1757	1.1246	0.0511	4.54%	7.05	6.75	0.31	$ 4,905.42	$ 1,504
177	DRG 177 UNCOMPL PEPTIC ULCER W CC	0.9595	0.9166	0.0429	4.68%	0.96	0.92	0.04	$ 4,905.42	$ 210
179	DRG 179 INFLAMMATORY BOWEL DISEASE	1.1460	1.0911	0.0549	5.03%	5.73	5.46	0.27	$ 4,905.42	$ 1,347
180	DRG 180 G.I. OBSTRUCTION W CC	1.0702	0.9784	0.0918	9.38%	19.26	17.61	1.65	$ 4,905.42	$ 8,106
181	DRG 181 G.I. OBSTRUCTION W/O CC	0.6400	0.5614	0.0786	14.00%	2.56	2.25	0.31	$ 4,905.42	$ 1,542
182	DRG 182 ESOPH/GAST/MISC DIG AGE>17 W CC	0.9046	0.8413	0.0633	7.52%	46.13	42.91	3.23	$ 4,905.42	$ 15,836
183	DRG 183 ESOPH/GAST/MISC DIG AGE>17 W/O C	0.6078	0.5848	0.023	3.93%	6.69	6.43	0.25	$ 4,905.42	$ 1,241
188	DRG 188 OTH DIGESTIVE DXS AGE >17 W CC	1.1808	1.129	0.0518	4.59%	12.99	12.42	0.57	$ 4,905.42	$ 2,795
189	DRG 189 OTH DIGESTIVE DXS AGE >17 W/O CC	0.6314	0.6064	0.025	4.12%	0.63	0.61	0.02	$ 4,905.42	$ 123
191	DRG 191 PANC/LIVER/SHUNT PROC W CC	3.9647	3.968	-0.0033	-0.08%	7.93	7.94	(0.01)	$ 4,905.42	$ (32)
193	DRG 193 BILIARY EXC CHOLEC W CC	3.4693	3.2818	0.1875	5.71%	3.47	3.28	0.19	$ 4,905.42	$ 920
197	DRG 197 CHOLEC EXCP LAPARO W/O CDE W CC	2.6196	2.5425	0.0771	3.03%	7.86	7.63	0.23	$ 4,905.42	$ 1,135
202	DRG 202 CIRRHOSIS & ALCOHOLIC HEPATITIS	1.4205	1.3318	0.0887	6.66%	9.94	9.32	0.62	$ 4,905.42	$ 3,046
203	DRG 203 MALIGN-HEPATOBILIARY OR PANCREAS	1.3745	1.3552	0.0193	1.42%	9.62	9.49	0.14	$ 4,905.42	$ 663
204	DRG 204 DISOR-PANCREAS EXCEPT MALIGNANCY	1.1749	1.1249	0.05	4.44%	4.70	4.50	0.20	$ 4,905.42	$ 981
205	DRG 205 DISOR-LIV EXC MA/CI/ALC HEP W CC	1.2942	1.2059	0.0883	7.32%	1.29	1.21	0.09	$ 4,905.42	$ 433
207	DRG 207 DISOR-BILIARY TRACT W CC	1.2145	1.1746	0.0399	3.40%	12.15	11.75	0.40	$ 4,905.42	$ 1,957
208	DRG 208 DISOR-BILIARY TRACT W/O CC	0.6986	0.6895	0.0091	1.32%	1.40	1.38	0.02	$ 4,905.42	$ 89
544	DRG 209 NLV - MAJ JNT/LIMB REAT-LOW EXT	1.8941	1.9643	-0.0702	-3.57%	9.47	9.82	(0.35)	$ 4,905.42	$ (1,722)
210	DRG 210 HIP/FEM EXC MAJ JNT AGE>17 W CC	2.0150	1.9059	0.1091	5.72%	28.21	26.68	1.53	$ 4,905.42	$ 7,493
211	DRG 211 HIP/FEM EXC MAJ JNT AGE>17 W/O C	1.3653	1.269	0.0963	7.59%	5.46	5.08	0.39	$ 4,905.42	$ 1,890
217	DRG 217 WND DEBRID/SKN GRFT EXC HND-MSCN	3.1361	3.0596	0.0765	2.50%	6.27	6.12	0.15	$ 4,905.42	$ 751
218	DRG 218 LWR EXTRM/HUM EXC HFF AGE>17 CC	1.7105	1.6648	0.0457	2.75%	8.55	8.32	0.23	$ 4,905.42	$ 1,121

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on CGH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
219	DRG 219 LWR EXTRM/HUM EXC HFF AGE>17 W/O	1.1071	1.0443	0.0628	6.01%	2.21	2.09	0.13	$ 4,905.42	$ 616
223	DRG 223 MAJ SHOUL/ELB OTHR UP EXTRM W CC	1.1303	1.1164	0.0139	1.25%	2.26	2.23	0.03	$ 4,905.42	$ 136
225	DRG 225 FOOT PROCEDURES	1.3235	1.2251	0.0984	8.03%	1.32	1.23	0.10	$ 4,905.42	$ 483
232	DRG 232 ARTHROSCOPY	0.9804	0.9702	0.0102	1.05%	0.98	0.97	0.01	$ 4,905.42	$ 50
235	DRG 235 FRACTURES OF FEMUR	0.9366	0.7768	0.1598	20.57%	1.87	1.55	0.32	$ 4,905.42	$ 1,568
236	DRG 236 FRACTURES OF HIP & PELVIS	0.8791	0.7407	0.1384	18.69%	4.40	3.70	0.69	$ 4,905.42	$ 3,395
239	DRG 239 PATH FRAC/MUSC/CON TIS MALIGNCY	1.2001	1.0767	0.1234	11.46%	12.00	10.77	1.23	$ 4,905.42	$ 6,053
240	DRG 240 CONNECT TIS DISOR W CC	1.4523	1.4051	0.0472	3.36%	1.45	1.41	0.05	$ 4,905.42	$ 232
243	DRG 243 MEDICAL BACK PROBLEMS	0.8680	0.7658	0.1022	13.35%	13.89	12.25	1.64	$ 4,905.42	$ 8,021
244	DRG 244 BONE DIS/SPEC ARTH W CC	0.8186	0.72	0.0986	13.69%	6.55	5.76	0.79	$ 4,905.42	$ 3,869
247	DRG 247 SGNS/SYMP-MUSC/CONN TISSUE	0.6852	0.5795	0.1057	18.24%	2.06	1.74	0.32	$ 4,905.42	$ 1,556
248	DRG 248 TENDONITIS MYOSITIS & BURSITIS	0.9368	0.8554	0.0814	9.52%	2.81	2.57	0.24	$ 4,905.42	$ 1,198
249	DRG 249 AFCARE-MUSCULOSK/CONN TISSUE	0.8157	0.7095	0.1062	14.97%	8.16	7.10	1.06	$ 4,905.42	$ 5,210
250	DRG 250 FX/DISL-FRARM/HND/FT AGE >17 CC	0.7774	0.6974	0.08	11.47%	0.78	0.70	0.08	$ 4,905.42	$ 392
253	DRG 253 FX/DL-UPARM/LWLG EX FT AGE>17 CC	0.9049	0.7747	0.1302	16.81%	1.81	1.55	0.26	$ 4,905.42	$ 1,277
254	DRG 254 FX/DL-UPARM/LWLG EX FT >17 W/O C	0.5741	0.4588	0.1153	25.13%	0.57	0.46	0.12	$ 4,905.42	$ 566
256	DRG 256 OTH DXS-MUSC/CONNECTIVE TISSUE	0.9598	0.8509	0.1089	12.80%	0.96	0.85	0.11	$ 4,905.42	$ 534
258	DRG 258 TOT MASTEC-MALIGNCY W/O CC	0.7045	0.7138	-0.0093	-1.30%	1.41	1.43	(0.02)	$ 4,905.42	$ (91)
263	DRG 263 SKN GRFT-SKN ULC/CEL W CC	2.2702	2.113	0.1572	7.44%	4.54	4.23	0.31	$ 4,905.42	$ 1,542
265	DRG 265 SKN GRFT EXC SKN ULC/CEL W CC	1.6907	1.6593	0.0314	1.89%	1.69	1.66	0.03	$ 4,905.42	$ 154
269	DRG 269 OTH SKN/SCUT TIS/BRST W CC	1.8802	1.8352	0.045	2.45%	3.76	3.67	0.09	$ 4,905.42	$ 441
270	DRG 270 OTH SKN/SCUT TIS/BRST W/O CC	0.8949	0.8313	0.0636	7.65%	0.89	0.83	0.06	$ 4,905.42	$ 312
271	DRG 271 SKIN ULCERS	1.2353	1.0195	0.2158	21.17%	2.47	2.04	0.43	$ 4,905.42	$ 2,117
277	DRG 277 CELLULITIS AGE >17 W CC	1.0015	0.8676	0.1339	15.43%	14.02	12.15	1.87	$ 4,905.42	$ 9,196
278	DRG 278 CELLULITIS AGE >17 W/O CC	0.6817	0.5391	0.1426	26.45%	2.73	2.16	0.57	$ 4,905.42	$ 2,798
280	DRG 280 TRMA-SKN/SCT TIS/BRST AGE >17 CC	0.8212	0.7313	0.0899	12.29%	4.11	3.66	0.45	$ 4,905.42	$ 2,205
284	DRG 284 MINOR SKIN DISOR W/O CC	0.5295	0.4563	0.0732	16.04%	0.53	0.46	0.07	$ 4,905.42	$ 359
288	DRG 288 O.R. PROCEDURES FOR OBESITY	1.7332	2.0384	-0.3052	-14.97%	1.73	2.04	(0.31)	$ 4,905.42	$ (1,497)
290	DRG 290 THYROID PROCEDURES	0.8454	0.8891	-0.0437	-4.92%	0.85	0.89	(0.04)	$ 4,905.42	$ (214)
292	DRG 292 OTH ENDOC/NUTR/MET PROC W CC	2.6043	2.6395	-0.0352	-1.33%	2.60	2.64	(0.04)	$ 4,905.42	$ (173)
294	DRG 294 DIABETES AGE >35	0.8642	0.7652	0.099	12.94%	6.05	5.36	0.69	$ 4,905.42	$ 3,399
296	DRG 296 NUTR/MISC METAB AGE >17 W CC	0.9041	0.8187	0.0854	10.43%	18.99	17.19	1.79	$ 4,905.42	$ 8,797
297	DRG 297 NUTR/MISC METAB AGE >17 W/O CC	0.5589	0.4879	0.071	14.55%	0.56	0.49	0.07	$ 4,905.42	$ 348
300	DRG 300 ENDOCRINE DISOR W CC	1.1666	1.0922	0.0744	6.81%	3.50	3.28	0.22	$ 4,905.42	$ 1,095
303	DRG 303 KID/URE/MAJ BLDR-NEOPLASM	2.3084	2.2183	0.0901	4.06%	2.31	2.22	0.09	$ 4,905.42	$ 442
306	DRG 306 PROSTATECTOMY W CC	1.3307	1.27	0.0607	4.78%	1.33	1.27	0.06	$ 4,905.42	$ 298
315	DRG 315 OTHER KIDNEY/URINARY TRACT PROC	1.9482	2.0823	-0.1341	-6.44%	3.90	4.16	(0.27)	$ 4,905.42	$ (1,316)
316	DRG 316 RENAL FAILURE	1.3481	1.2692	0.0789	6.22%	44.49	41.88	2.60	$ 4,905.42	$ 12,772

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on CGH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
318	DRG 318 KID/URINARY NEOPLASMS W CC	1.2571	1.1539	0.1032	8.94%	1.26	1.15	0.10	$ 4,905.42	$ 506
319	DRG 319 KID/URINARY NEOPLASMS W/O CC	0.6169	0.6385	-0.0216	-3.38%	0.62	0.64	(0.02)	$ 4,905.42	$ (106)
320	DRG 320 KID/URINARY INFECT AGE>17 W CC	0.9538	0.8658	0.088	10.16%	22.89	20.78	2.11	$ 4,905.42	$ 10,360
321	DRG 321 KID/URINARY INFECT AGE>17 W/O CC	0.6512	0.5652	0.086	15.22%	4.56	3.96	0.60	$ 4,905.42	$ 2,953
323	DRG 323 URIN STONES W CC &/OR ESW LITH	0.8239	0.8214	0.0025	0.30%	3.30	3.29	0.01	$ 4,905.42	$ 49
324	DRG 324 URINARY STONES W/O CC	0.5233	0.505	0.0183	3.62%	0.52	0.51	0.02	$ 4,905.42	$ 90
325	DRG 325 KID/URINARY SGN/SYM AGE >17 W CC	0.7334	0.6436	0.0898	13.95%	1.47	1.29	0.18	$ 4,905.42	$ 881
331	DRG 331 OTH KID/URINARY DXS AGE>17 W CC	1.1580	1.0619	0.0961	9.05%	9.26	8.50	0.77	$ 4,905.42	$ 3,771
332	DRG 332 OTH KID/URINARY DXS AGE>17 W/O C	0.6602	0.616	0.0442	7.18%	0.66	0.62	0.04	$ 4,905.42	$ 217
336	DRG 336 TRANSURETH PROSTATEC W CC	0.8824	0.8425	0.0399	4.74%	2.65	2.53	0.12	$ 4,905.42	$ 587
337	DRG 337 TRANSURETH PROSTATEC W/O CC	0.5989	0.5747	0.0242	4.21%	0.60	0.57	0.02	$ 4,905.42	$ 119
346	DRG 346 MALIG MALE REPRO W CC	1.1351	1.0441	0.091	8.72%	1.14	1.04	0.09	$ 4,905.42	$ 446
348	DRG 348 BENIGN PROST HYPERTRO W CC	0.7721	0.7188	0.0533	7.42%	1.54	1.44	0.11	$ 4,905.42	$ 523
349	DRG 349 BENIGN PROST HYPERTRO W/O CC	0.4942	0.421	0.0732	17.39%	0.49	0.42	0.07	$ 4,905.42	$ 359
357	DRG 357 UTER&ADNXA PROC OVAR/ADNXL MALIG	2.2785	2.2237	0.0548	2.46%	6.84	6.67	0.16	$ 4,905.42	$ 806
366	DRG 366 MALIG FEMALE REPRO W CC	1.2888	1.2348	0.054	4.37%	3.87	3.70	0.16	$ 4,905.42	$ 795
369	DRG 369 MENSTRUAL/OTH FEMALE REPRO DISOR	0.6696	0.631	0.0386	6.12%	0.67	0.63	0.04	$ 4,905.42	$ 189
394	DRG 394 OTH O.R. PRC BLOOD/BLOOD ORGANS	1.8725	1.9109	-0.0384	-2.01%	1.87	1.91	(0.04)	$ 4,905.42	$ (188)
395	DRG 395 RED BLOOD CELL DISOR AGE >17	0.9413	0.8328	0.1085	13.03%	16.00	14.16	1.84	$ 4,905.42	$ 9,048
397	DRG 397 COAGULATION DISORDERS	1.3611	1.2986	0.0625	4.81%	6.81	6.49	0.31	$ 4,905.42	$ 1,533
398	DRG 398 RETICUL/IMMUNITY W CC	1.2912	1.2082	0.083	6.87%	1.29	1.21	0.08	$ 4,905.42	$ 407
401	DRG 401 LYMPH&NON-ACUT LEUK W OTH PRC CC	2.8703	2.9678	-0.0975	-3.29%	2.87	2.97	(0.10)	$ 4,905.42	$ (478)
403	DRG 403 LYMPH&NON-ACUT LEUKEMIA W CC	1.8986	1.8432	0.0554	3.01%	18.99	18.43	0.55	$ 4,905.42	$ 2,718
415	DRG 415 O.R. PROC-INFECT/PARAS DISEASES	4.1393	3.989	0.1503	3.77%	41.39	39.89	1.50	$ 4,905.42	$ 7,373
416	DRG 416 SEPTICEMIA AGE >17	1.8340	1.6774	0.1566	9.34%	84.36	77.16	7.20	$ 4,905.42	$ 35,337
418	DRG 418 POSTOPERATIVE/TRAUMATIC INFECTNS	1.1938	1.0716	0.1222	11.40%	3.58	3.21	0.37	$ 4,905.42	$ 1,798
420	DRG 420 FEVER OF UNK ORIG AGE >17 W/O CC	0.6263	0.6077	0.0186	3.06%	0.63	0.61	0.02	$ 4,905.42	$ 91
421	DRG 421 VIRAL ILLNESS AGE >17	0.8210	0.7664	0.0546	7.12%	2.46	2.30	0.16	$ 4,905.42	$ 804
425	DRG 425 AC ADJ REACT/DIST-PSY DYSFUNCTN	0.7075	0.6191	0.0884	14.28%	1.42	1.24	0.18	$ 4,905.42	$ 867
429	DRG 429 ORGANIC DISTURBS/MENTAL RETRDTN	0.9614	0.7919	0.1695	21.40%	0.96	0.79	0.17	$ 4,905.42	$ 831
430	DRG 430 PSYCHOSES	1.2316	0.6483	0.5833	89.97%	1.23	0.65	0.58	$ 4,905.42	$ 2,861
440	DRG 440 WOUND DEBRIDEMENTS FOR INJURIES	2.0128	1.9457	0.0671	3.45%	2.01	1.95	0.07	$ 4,905.42	$ 329
444	DRG 444 TRAUMATIC INJURY AGE >17 W CC	0.8329	0.7556	0.0773	10.23%	2.50	2.27	0.23	$ 4,905.42	$ 1,138

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on CGH
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
445	DRG 445 TRAUMATIC INJURY AGE >17 W/O CC	0.5792	0.5033	0.0759	15.08%	0.58	0.50	0.08	$ 4,905.42	$ 372
447	DRG 447 ALLERGIC REACTIONS AGE >17	0.6470	0.5569	0.0901	16.18%	0.65	0.56	0.09	$ 4,905.42	$ 442
449	DRG 449 POIS/TOXIC EFF-DRUGS AGE>17 W CC	0.9882	0.8529	0.1353	15.86%	1.98	1.71	0.27	$ 4,905.42	$ 1,327
452	DRG 452 COMPL OF TREATMENT W CC	1.1377	1.0462	0.0915	8.75%	1.14	1.05	0.09	$ 4,905.42	$ 449
454	DRG 454 OTH INJ/TOXIC EFF DX W CC	0.9136	0.8141	0.0995	12.22%	0.91	0.81	0.10	$ 4,905.42	$ 488
463	DRG 463 SIGNS & SYMPTOMS W CC	0.7661	0.696	0.0701	10.07%	4.60	4.18	0.42	$ 4,905.42	$ 2,063
468	DRG 468 EXT O.R. PROC UNREL TO PRINC DX	3.8122	4.0031	-0.1909	-4.77%	19.06	20.02	(0.95)	$ 4,905.42	$ (4,682)
471	DRG 471 BIL/MULT MAJ JNT PROC-LWR EXTR	2.7365	3.1391	-0.4026	-12.83%	24.63	28.25	(3.62)	$ 4,905.42	$ (17,774)
475	DRG 475 RESP SYS DX W/VENTILATOR SUP	3.8279	3.6091	0.2188	6.06%	84.21	79.40	4.81	$ 4,905.42	$ 23,613
477	DRG 477 NON-EXT OR PROC UNREL TO PRIN DX	2.0694	2.0607	0.0087	0.42%	4.14	4.12	0.02	$ 4,905.42	$ 85
554	DRG 478 NLV - OTHER VASCULAR PROC W CC	1.9483	2.0721	-0.1238	-5.97%	1.95	2.07	(0.12)	$ 4,905.42	$ (607)
479	DRG 479 OTHER VASCULAR PROC W/O CC	1.2715	1.4434	-0.1719	-11.91%	2.54	2.89	(0.34)	$ 4,905.42	$ (1,686)
485	DRG 485 LIMB REATTACH-MULT TRAUMA	3.5846	3.4952	0.0894	2.56%	3.58	3.50	0.09	$ 4,905.42	$ 439
491	DRG 491 MAJ JOINT & LIMB REATTACH-UP EXT	1.5997	1.678	-0.0783	-4.67%	3.20	3.36	(0.16)	$ 4,905.42	$ (768)
493	DRG 493 LAPARO CHOLEC W/O C.D.E. W CC	1.7812	1.8333	-0.0521	-2.84%	24.94	25.67	(0.73)	$ 4,905.42	$ (3,578)
494	DRG 494 LAPARO CHOLEC W/O C.D.E. W/O CC	0.9795	1.0285	-0.049	-4.76%	5.88	6.17	(0.29)	$ 4,905.42	$ (1,442)
499	DRG 499 BACK-NECK PROC EX SPNL FUSN W CC	1.3408	1.3831	-0.0423	-3.06%	1.34	1.38	(0.04)	$ 4,905.42	$ (207)
503	DRG 503 KNEE PROC W/O PDX OF INFECTN	1.2375	1.2038	0.0337	2.80%	1.24	1.20	0.03	$ 4,905.42	$ 165
524	DRG 524 TRANSIENT ISCHEMIA	0.6913	0.7288	-0.0375	-5.15%	15.90	16.76	(0.86)	$ 4,905.42	$ (4,231)
533	DRG 533 EXTRACRANIAL PROCEDURES W CC	1.4911	1.5767	-0.0856	-5.43%	2.98	3.15	(0.17)	$ 4,905.42	$ (840)
541	DRG 541 TRA W MV 96+ / PDX EX F/M/N W OR	19.9990	19.8038	0.1952	0.99%	20.00	19.80	0.20	$ 4,905.42	$ 958
542	DRG 542 TRA W MV 96+ / PDX EX F/N W/O OR	12.5966	12.8719	-0.2753	-2.14%	12.60	12.87	(0.28)	$ 4,905.42	$ (1,350)
544	DRG 544 MAJ JOINT REPLAC/REATTACH-LOW EX	1.8941	1.9643	-0.0702	-3.57%	70.08	72.68	(2.60)	$ 4,905.42	$ (12,741)
545	DRG 545 REVISION - HIP/KNEE REPLACEMENT	2.4127	2.4827	-0.07	-2.82%	2.41	2.48	(0.07)	$ 4,905.42	$ (343)
551	DRG 551 PERM CAR PACE IMP W MAJ CV DX	2.6339	3.1007	-0.4668	-15.05%	2.63	3.10	(0.47)	$ 4,905.42	$ (2,290)
552	DRG 552 OTH PER CAR PAC IMP W/O MA CV DX	1.7670	2.0996	-0.3326	-15.84%	8.84	10.50	(1.66)	$ 4,905.42	$ (8,158)
553	DRG 553 OTH VAS PRC W CC W MAJ CV DX	2.8371	3.0957	-0.2586	-8.35%	5.67	6.19	(0.52)	$ 4,905.42	$ (2,537)
554	DRG 554 OTH VAS PRC W CC W/O MAJ CV DX	1.9483	2.0721	-0.1238	-5.97%	15.59	16.58	(0.99)	$ 4,905.42	$ (4,858)
	TOTAL	1.33	1.27	0.0515055	4.04%	1,842.08	1,770.48	71.59	$ 4,905.42	351,192

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DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
7	DRG 7 PER/CRAN/OTH NERV W/ CC	2.5775	2.6978	-0.1203	-4.46%	10.31	10.79	(0.48)	$ 4,905.42	$ (2,360)
10	DRG 10 NERVOUS SYSTEM NEOPLASMS W CC	1.2513	1.2222	0.0291	2.38%	13.76	13.44	0.32	$ 4,905.42	$ 1,570
12	DRG 12 DEGENERATIVE NERV SYS DISORDERS	1.0105	0.8998	0.1107	12.30%	20.21	18.00	2.21	$ 4,905.42	$ 10,861
13	DRG 13 MULT SCLEROSIS/CEREBELLAR ATAXIA	0.9266	0.8575	0.0691	8.06%	4.63	4.29	0.35	$ 4,905.42	$ 1,695
14	DRG 14 INTRACRAN HEMOR OR CEREBRA INFAR	1.2480	1.2456	0.0024	0.19%	93.60	93.42	0.18	$ 4,905.42	$ 883
15	DRG 15 NONSPE CVA/PRECER OCCLU W/O INFA	0.9170	0.9421	-0.0251	-2.66%	3.67	3.77	(0.10)	$ 4,905.42	$ (493)
16	DRG 16 NONSPEC CEREBROVASC DISOR W CC	1.3632	1.3351	0.0281	2.10%	13.63	13.35	0.28	$ 4,905.42	$ 1,378
17	DRG 17 NONSPEC CEREBROVASC DISOR W/O CC	0.6692	0.7229	-0.0537	-7.43%	1.34	1.45	(0.11)	$ 4,905.42	$ (527)
18	DRG 18 CRAN/PER NERV DISOR W CC	1.0501	0.9903	0.0598	6.04%	8.40	7.92	0.48	$ 4,905.42	$ 2,347
19	DRG 19 CRAN/PER NERV DISOR W/O CC	0.7128	0.7077	0.0051	0.72%	4.28	4.25	0.03	$ 4,905.42	$ 150
20	DRG 20 NERV INFECTN EXC VIRAL MENINGITI	2.7596	2.7865	-0.0269	-0.97%	8.28	8.36	(0.08)	$ 4,905.42	$ (396)
21	DRG 21 VIRAL MENINGITIS	1.4536	1.4451	0.0085	0.59%	1.45	1.45	0.01	$ 4,905.42	$ 42
24	DRG 24 SEIZURE & HEADACHE AGE >17 W CC	1.0388	0.997	0.0418	4.19%	21.81	20.94	0.88	$ 4,905.42	$ 4,306
25	DRG 25 SEIZURE+HEADACHE AGE >17 W/O CC	0.6436	0.618	0.0256	4.14%	5.15	4.94	0.20	$ 4,905.42	$ 1,005
28	DRG 28 TRAU STUP/COM<1 HR AGE>17 W CC	1.4037	1.3353	0.0684	5.12%	5.61	5.34	0.27	$ 4,905.42	$ 1,342
31	DRG 31 CONCUSSION AGE >17 W CC	0.9511	0.9567	-0.0056	-0.59%	0.95	0.96	(0.01)	$ 4,905.42	$ (27)
34	DRG 34 OTH DISOR-NERV SYS W CC	1.0347	1.0062	0.0285	2.83%	5.17	5.03	0.14	$ 4,905.42	$ 699
35	DRG 35 OTH DISOR-NERV SYS W/O CC	0.6453	0.6241	0.0212	3.40%	1.94	1.87	0.06	$ 4,905.42	$ 312
40	DRG 40 EXTRAOC PROC EXC ORBIT AGE >17	1.1061	0.9627	0.1434	14.90%	1.11	0.96	0.14	$ 4,905.42	$ 703
45	DRG 45 NEUROLOGICAL EYE DISORDERS	0.6809	0.7474	-0.0665	-8.90%	0.68	0.75	(0.07)	$ 4,905.42	$ (326)
46	DRG 46 OTH DISOR-EYE AGE >17 W CC	0.8135	0.7524	0.0611	8.12%	0.81	0.75	0.06	$ 4,905.42	$ 300
51	DRG 51 SAL GLAND PRC EX SIALOADENECTOMY	0.8841	0.8809	0.0032	0.36%	0.88	0.88	0.00	$ 4,905.42	$ 16
53	DRG 53 SINUS & MASTOID PROC AGE >17	1.2984	1.3269	-0.0285	-2.15%	1.30	1.33	(0.03)	$ 4,905.42	$ (140)
65	DRG 65 DYSEQUILIBRIUM	0.5799	0.5991	-0.0192	-3.20%	11.02	11.38	(0.36)	$ 4,905.42	$ (1,789)
66	DRG 66 EPISTAXIS	0.6790	0.5958	0.0832	13.96%	3.40	2.98	0.42	$ 4,905.42	$ 2,041
68	DRG 68 OTITIS MEDIA/URI AGE >17 W CC	0.7572	0.6611	0.0961	14.54%	5.30	4.63	0.67	$ 4,905.42	$ 3,300
69	DRG 69 OTITIS MEDIA/URI AGE >17 W/O CC	0.5706	0.485	0.0856	17.65%	1.71	1.46	0.26	$ 4,905.42	$ 1,260
72	DRG 72 NASAL TRAUMA & DEFORMITY	0.7502	0.7449	0.0053	0.71%	0.75	0.74	0.01	$ 4,905.42	$ 26
73	DRG 73 OTH EAR/NOSE/THROAT DX AGE >17	0.9140	0.8527	0.0613	7.19%	6.40	5.97	0.43	$ 4,905.42	$ 2,105
75	DRG 75 MAJOR CHEST PROCEDURES	3.0790	3.0732	0.0058	0.19%	18.47	18.44	0.03	$ 4,905.42	$ 171
76	DRG 76 OTH RESP SYSTEM O.R. PROC W CC	2.7410	2.883	-0.142	-4.93%	38.37	40.36	(1.99)	$ 4,905.42	$ (9,752)
78	DRG 78 PULMONARY EMBOLISM	1.3229	1.2427	0.0802	6.45%	17.20	16.16	1.04	$ 4,905.42	$ 5,114
79	DRG 79 RESP INFEC/INFL AGE >17 W CC	1.7331	1.6238	0.1093	6.73%	105.72	99.05	6.67	$ 4,905.42	$ 32,706
80	DRG 80 RESP INFEC/INFL AGE >17 W/O CC	1.0190	0.8947	0.1243	13.89%	1.02	0.89	0.12	$ 4,905.42	$ 610

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
82	DRG 82 RESPIRATORY NEOPLASMS	1.4335	1.3936	0.0399	2.86%	41.57	40.41	1.16	$ 4,905.42	$ 5,676
85	DRG 85 PLEURAL EFFUSION W CC	1.2935	1.2405	0.053	4.27%	10.35	9.92	0.42	$ 4,905.42	$ 2,080
86	DRG 86 PLEURAL EFFUSION W/O CC	0.7154	0.6974	0.018	2.58%	0.72	0.70	0.02	$ 4,905.42	$ 88
87	DRG 87 PULMONARY EDEMA & RESP FAILURE	1.5310	1.3654	0.1656	12.13%	114.83	102.41	12.42	$ 4,905.42	$ 60,925
88	DRG 88 CHRONIC OBSTRUCTIVE PULM DISEASE	0.9557	0.8778	0.0779	8.87%	156.73	143.96	12.78	$ 4,905.42	$ 62,670
89	DRG 89 SIMP PNEUM/PLEUR AGE >17 W CC	1.1291	1.032	0.0971	9.41%	172.75	157.90	14.86	$ 4,905.42	$ 72,876
90	DRG 90 SIMP PNEUM/PLEUR AGE >17 W/O CC	0.7043	0.6104	0.0939	15.38%	8.45	7.32	1.13	$ 4,905.42	$ 5,527
92	DRG 92 INTERSTITIAL LUNG W CC	1.2410	1.1853	0.0557	4.70%	12.41	11.85	0.56	$ 4,905.42	$ 2,732
94	DRG 94 PNEUMOTHORAX W CC	1.2852	1.1354	0.1498	13.19%	3.86	3.41	0.45	$ 4,905.42	$ 2,204
95	DRG 95 PNEUMOTHORAX W/O CC	0.7018	0.6035	0.0983	16.29%	0.70	0.60	0.10	$ 4,905.42	$ 482
96	DRG 96 BRONCH/ASTHMA AGE >17 W CC	0.8093	0.7303	0.079	10.82%	34.80	31.40	3.40	$ 4,905.42	$ 16,664
97	DRG 97 BRONCH/ASTHMA AGE >17 W/O CC	0.6199	0.5364	0.0835	15.57%	10.54	9.12	1.42	$ 4,905.42	$ 6,963
99	DRG 99 RESP SIGNS/SYMPS W CC	0.7101	0.7094	0.0007	0.10%	7.10	7.09	0.01	$ 4,905.42	$ 34
100	DRG 100 RESP SIGNS/SYMPS W/O CC	0.5098	0.5382	-0.0284	-5.28%	2.55	2.69	(0.14)	$ 4,905.42	$ (697)
101	DRG 101 OTH RESPIRATORY DXS W CC	0.9106	0.8733	0.0373	4.27%	6.37	6.11	0.26	$ 4,905.42	$ 1,281
102	DRG 102 OTH RESPIRATORY DXS W/O CC	0.5625	0.5402	0.0223	4.13%	1.13	1.08	0.04	$ 4,905.42	$ 219
110	DRG 110 MAJ CARDIOVASCULAR PROC W CC	3.6419	3.8417	-0.1998	-5.20%	25.49	26.89	(1.40)	$ 4,905.42	$ (6,861)
113	DRG 113 AMPUTN-CIRC SYS EXC UPR LIMB/TOE	3.3828	3.1682	0.2146	6.77%	13.53	12.67	0.86	$ 4,905.42	$ 4,211
117	DRG 117 PACEMKR REVIS EXC DEVICE REPL	1.2528	1.3223	-0.0695	-5.26%	1.25	1.32	(0.07)	$ 4,905.42	$ (341)
118	DRG 118 PACEMAKER DEVICE REPL	1.3882	1.638	-0.2498	-15.25%	2.78	3.28	(0.50)	$ 4,905.42	$ (2,451)
120	DRG 120 OTH CIRCULATORY SYS O.R. PROC	2.3109	2.3853	-0.0744	-3.12%	13.87	14.31	(0.45)	$ 4,905.42	$ (2,190)
121	DRG 121 CIRC DIS W/AMI & MAJ COMP ALIVE	1.6883	1.6136	0.0747	4.63%	106.36	101.66	4.71	$ 4,905.42	$ 23,085
122	DRG 122 CIRC DIS W/AMI W/O MAJ COMP ALIV	0.9802	0.9847	-0.0045	-0.46%	7.84	7.88	(0.04)	$ 4,905.42	$ (177)
123	DRG 123 CIRC DISOR-AMI-EXPIRED	1.6053	1.5407	0.0646	4.19%	19.26	18.49	0.78	$ 4,905.42	$ 3,803
124	DRG 124 CIRC DIS EX AMI W/CATH COMP DX	1.1670	1.4425	-0.2755	-19.10%	3.50	4.33	(0.83)	$ 4,905.42	$ (4,054)
125	DRG 125 CIRC DIS EX AMI W/CAT W/O CMP DX	0.7862	1.0948	-0.3086	-28.19%	0.79	1.09	(0.31)	$ 4,905.42	$ (1,514)
126	DRG 126 ACUTE & SUBACUTE ENDOCARDITIS	2.5526	2.744	-0.1914	-6.98%	5.11	5.49	(0.38)	$ 4,905.42	$ (1,878)
127	DRG 127 HEART FAILURE & SHOCK	1.0635	1.0345	0.029	2.80%	356.27	346.56	9.71	$ 4,905.42	$ 47,656
129	DRG 129 CARDIAC ARREST UNEXPLAINED	1.1301	1.0404	0.0897	8.62%	2.26	2.08	0.18	$ 4,905.42	$ 880
130	DRG 130 PERIP VASC DISOR W CC	1.0637	0.9425	0.1212	12.86%	39.36	34.87	4.48	$ 4,905.42	$ 21,998
131	DRG 131 PERIP VASC DISOR W/O CC	0.6813	0.5566	0.1247	22.40%	2.73	2.23	0.50	$ 4,905.42	$ 2,447
132	DRG 132 ATHEROSCLEROSIS W CC	0.6482	0.6273	0.0209	3.33%	31.76	30.74	1.02	$ 4,905.42	$ 5,024
133	DRG 133 ATHEROSCLEROSIS W/O CC	0.5237	0.5337	-0.01	-1.87%	2.62	2.67	(0.05)	$ 4,905.42	$ (245)
134	DRG 134 HYPERTENSION	0.6464	0.6068	0.0396	6.53%	6.46	6.07	0.40	$ 4,905.42	$ 1,943
135	DRG 135 CONGEN/VALV DISOR AGE >17 W CC	0.9122	0.8917	0.0205	2.30%	2.74	2.68	0.06	$ 4,905.42	$ 302

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
136	DRG 136 CONGEN/VALV DISOR AGE >17 W/O CC	0.5684	0.6214	-0.053	-8.53%	1.14	1.24	(0.11)	$ 4,905.42	$ (520)
138	DRG 138 ARRHYT/CONDUC DIS W CC	0.8504	0.8287	0.0217	2.62%	76.54	74.58	1.95	$ 4,905.42	$ 9,580
139	DRG 139 ARRHYT/CONDUC DIS W/O CC	0.5221	0.5227	-0.0006	-0.11%	15.66	15.68	(0.02)	$ 4,905.42	$ (88)
140	DRG 140 ANGINA PECTORIS	0.5846	0.5116	0.073	14.27%	1.75	1.53	0.22	$ 4,905.42	$ 1,074
141	DRG 141 SYNCOPE & COLLAPSE W CC	0.7009	0.7521	-0.0512	-6.81%	38.55	41.37	(2.82)	$ 4,905.42	$ (13,814)
142	DRG 142 SYNCOPE & COLLAPSE W/O CC	0.5312	0.5852	-0.054	-9.23%	14.87	16.39	(1.51)	$ 4,905.42	$ (7,417)
143	DRG 143 CHEST PAIN	0.5137	0.5659	-0.0522	-9.22%	40.07	44.14	(4.07)	$ 4,905.42	$ (19,973)
144	DRG 144 OTHER CIRCULATORY DXS W CC	1.3781	1.2761	0.102	7.99%	52.37	48.49	3.88	$ 4,905.42	$ 19,013
145	DRG 145 OTHER CIRCULATORY DXS W/O CC	0.5993	0.5835	0.0158	2.71%	1.80	1.75	0.05	$ 4,905.42	$ 233
146	DRG 146 RECTAL RESECTION W CC	2.8001	2.6621	0.138	5.18%	5.60	5.32	0.28	$ 4,905.42	$ 1,354
148	DRG 148 MAJ SM/LG BOWEL PROC W CC	3.5831	3.4479	0.1352	3.92%	168.41	162.05	6.35	$ 4,905.42	$ 31,171
149	DRG 149 MAJ SM/LG BOWEL PROC W/O CC	1.5441	1.4324	0.1117	7.80%	10.81	10.03	0.78	$ 4,905.42	$ 3,836
150	DRG 150 PERIT ADHESIOLYSIS W CC	2.9172	2.8061	0.1111	3.96%	17.50	16.84	0.67	$ 4,905.42	$ 3,270
152	DRG 152 MIN SM/LG BOWEL PR W CC	2.0074	1.8783	0.1291	6.87%	2.01	1.88	0.13	$ 4,905.42	$ 633
153	DRG 153 MIN SM/LG BOWEL PR W/O CC	1.1984	1.0821	0.1163	10.75%	1.20	1.08	0.12	$ 4,905.42	$ 571
154	DRG 154 STOM/ESOPH/DUOD AGE >17 W CC	4.2032	4.0399	0.1633	4.04%	50.44	48.48	1.96	$ 4,905.42	$ 9,613
157	DRG 157 ANAL & STOMAL PROC W CC	1.4076	1.3356	0.072	5.39%	5.63	5.34	0.29	$ 4,905.42	$ 1,413
158	DRG 158 ANAL & STOMAL PROC W/O CC	0.7114	0.6657	0.0457	6.86%	0.71	0.67	0.05	$ 4,905.42	$ 224
159	DRG 159 HERNIA EXC ING/FEM AGE >17 W CC	1.4745	1.4081	0.0664	4.72%	2.95	2.82	0.13	$ 4,905.42	$ 651
160	DRG 160 HERNIA EXC ING/FEM AGE>17 W/O CC	0.8749	0.8431	0.0318	3.77%	1.75	1.69	0.06	$ 4,905.42	$ 312
161	DRG 161 INGUIN/FEMORL HERN AGE>17 W CC	1.2461	1.1931	0.053	4.44%	3.74	3.58	0.16	$ 4,905.42	$ 780
162	DRG 162 INGUIN/FEMORL HERN AGE>17 W/O CC	0.6982	0.6785	0.0197	2.90%	1.40	1.36	0.04	$ 4,905.42	$ 193
164	DRG 164 APPENDECTOMY-COM DX W CC	2.2048	2.2476	-0.0428	-1.90%	2.20	2.25	(0.04)	$ 4,905.42	$ (210)
165	DRG 165 APPENDECTOMY-COM DX W/O CC	1.1907	1.1868	0.0039	0.33%	2.38	2.37	0.01	$ 4,905.42	$ 38
166	DRG 166 APPENDECTOMY W/O COMP DIAG W CC	1.3900	1.4521	-0.0621	-4.28%	1.39	1.45	(0.06)	$ 4,905.42	$ (305)
167	DRG 167 APPENDECTOMY W/O COMP DIA W/O CC	0.8536	0.8929	-0.0393	-4.40%	0.85	0.89	(0.04)	$ 4,905.42	$ (193)
170	DRG 170 OTH DIGESTIVE O.R. PROC W CC	2.9351	2.9612	-0.0261	-0.88%	17.61	17.77	(0.16)	$ 4,905.42	$ (768)
172	DRG 172 DIGESTIVE MALIGNANCY W CC	1.4585	1.4125	0.046	3.26%	23.34	22.60	0.74	$ 4,905.42	$ 3,610
174	DRG 174 G.I. HEMORRHAGE W CC	1.1360	1.006	0.13	12.92%	103.38	91.55	11.83	$ 4,905.42	$ 58,031
175	DRG 175 G.I. HEMORRHAGE W/O CC	0.6295	0.5646	0.0649	11.49%	5.04	4.52	0.52	$ 4,905.42	$ 2,547
176	DRG 176 COMPLICATED PEPTIC ULCER	1.1757	1.1246	0.0511	4.54%	8.23	7.87	0.36	$ 4,905.42	$ 1,755
177	DRG 177 UNCOMPL PEPTIC ULCER W CC	0.9595	0.9166	0.0429	4.68%	3.84	3.67	0.17	$ 4,905.42	$ 842
178	DRG 178 UNCOMPL PEPTIC ULCER W/O CC	0.6833	0.7013	-0.018	-2.57%	2.05	2.10	(0.05)	$ 4,905.42	$ (265)
179	DRG 179 INFLAMMATORY BOWEL DISEASE	1.1460	1.0911	0.0549	5.03%	5.73	5.46	0.27	$ 4,905.42	$ 1,347

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
180	DRG 180 G.I. OBSTRUCTION W CC	1.0702	0.9784	0.0918	9.38%	32.11	29.35	2.75	$ 4,905.42	$ 13,510
181	DRG 181 G.I. OBSTRUCTION W/O CC	0.6400	0.5614	0.0786	14.00%	2.56	2.25	0.31	$ 4,905.42	$ 1,542
182	DRG 182 ESOPH/GAST/MISC DIG AGE>17 W CC	0.9046	0.8413	0.0633	7.52%	113.08	105.16	7.91	$ 4,905.42	$ 38,814
183	DRG 183 ESOPH/GAST/MISC DIG AGE>17 W/O C	0.6078	0.5848	0.023	3.93%	22.49	21.64	0.85	$ 4,905.42	$ 4,175
185	DRG 185 DENTAL/ORAL EXC EXT/RES AGE >17	0.9381	0.8702	0.0679	7.80%	1.88	1.74	0.14	$ 4,905.42	$ 666
187	DRG 187 DENTAL EXTRACTIONS & RESTORATNS	0.8880	0.8363	0.0517	6.18%	0.89	0.84	0.05	$ 4,905.42	$ 254
188	DRG 188 OTH DIGESTIVE DXS AGE >17 W CC	1.1808	1.129	0.0518	4.59%	48.41	46.29	2.12	$ 4,905.42	$ 10,418
189	DRG 189 OTH DIGESTIVE DXS AGE >17 W/O CC	0.6314	0.6064	0.025	4.12%	1.26	1.21	0.05	$ 4,905.42	$ 245
191	DRG 191 PANC/LIVER/SHUNT PROC W CC	3.9647	3.968	-0.0033	-0.08%	7.93	7.94	(0.01)	$ 4,905.42	$ (32)
193	DRG 193 BILIARY EXC CHOLEC W CC	3.4693	3.2818	0.1875	5.71%	3.47	3.28	0.19	$ 4,905.42	$ 920
195	DRG 195 CHOLEC W/ CDE W CC	3.0330	3.053	-0.02	-0.66%	3.03	3.05	(0.02)	$ 4,905.42	$ (98)
197	DRG 197 CHOLEC EXCP LAPARO W/O CDE W CC	2.6196	2.5425	0.0771	3.03%	5.24	5.09	0.15	$ 4,905.42	$ 756
198	DRG 198 CHOLEC EXCP LAPARO W/O CDE W/O C	1.2463	1.1604	0.0859	7.40%	1.25	1.16	0.09	$ 4,905.42	$ 421
199	DRG 199 HEPATOBILIARY DX PROC-MALIGNANCY	2.3139	2.4073	-0.0934	-3.88%	2.31	2.41	(0.09)	$ 4,905.42	$ (458)
201	DRG 201 OTH HEPATO OR PANCREAS O.R. PROC	3.6519	3.7339	-0.082	-2.20%	3.65	3.73	(0.08)	$ 4,905.42	$ (402)
202	DRG 202 CIRRHOSIS & ALCOHOLIC HEPATITIS	1.4205	1.3318	0.0887	6.66%	4.26	4.00	0.27	$ 4,905.42	$ 1,305
203	DRG 203 MALIGN-HEPATOBILIARY OR PANCREAS	1.3745	1.3552	0.0193	1.42%	4.12	4.07	0.06	$ 4,905.42	$ 284
204	DRG 204 DISOR-PANCREAS EXCEPT MALIGNANCY	1.1749	1.1249	0.05	4.44%	29.37	28.12	1.25	$ 4,905.42	$ 6,132
205	DRG 205 DISOR-LIV EXC MA/CI/ALC HEP W CC	1.2942	1.2059	0.0883	7.32%	14.24	13.26	0.97	$ 4,905.42	$ 4,765
206	DRG 206 DISOR-LIV EXC MA/CI/ALC HEP W/O	0.7720	0.7292	0.0428	5.87%	0.77	0.73	0.04	$ 4,905.42	$ 210
207	DRG 207 DISOR-BILIARY TRACT W CC	1.2145	1.1746	0.0399	3.40%	15.79	15.27	0.52	$ 4,905.42	$ 2,544
208	DRG 208 DISOR-BILIARY TRACT W/O CC	0.6986	0.6895	0.0091	1.32%	1.40	1.38	0.02	$ 4,905.42	$ 89
210	DRG 210 HIP/FEM EXC MAJ JNT AGE>17 W CC	2.0150	1.9059	0.1091	5.72%	82.62	78.14	4.47	$ 4,905.42	$ 21,942
211	DRG 211 HIP/FEM EXC MAJ JNT AGE>17 W/O C	1.3653	1.269	0.0963	7.59%	9.56	8.88	0.67	$ 4,905.42	$ 3,307
213	DRG 213 AMPUT-MUSCULOSKEL/CONN TISSUE	2.2463	2.0428	0.2035	9.96%	2.25	2.04	0.20	$ 4,905.42	$ 998
216	DRG 216 BIOP-MUSCULOSKEL/CONN TISSUE	1.7169	1.9131	-0.1962	-10.26%	1.72	1.91	(0.20)	$ 4,905.42	$ (962)
217	DRG 217 WND DEBRID/SKN GRFT EXC HND-MSCN	3.1361	3.0596	0.0765	2.50%	6.27	6.12	0.15	$ 4,905.42	$ 751
218	DRG 218 LWR EXTRM/HUM EXC HFF AGE>17 CC	1.7105	1.6648	0.0457	2.75%	6.84	6.66	0.18	$ 4,905.42	$ 897
219	DRG 219 LWR EXTRM/HUM EXC HFF AGE>17 W/O	1.1071	1.0443	0.0628	6.01%	6.64	6.27	0.38	$ 4,905.42	$ 1,848
223	DRG 223 MAJ SHOUL/ELB OTHR UP EXTRM W CC	1.1303	1.1164	0.0139	1.25%	2.26	2.23	0.03	$ 4,905.42	$ 136

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
224	DRG 224 SHOUL/ELB FARM EXC MAJ JTS W/O C	0.8067	0.8185	-0.0118	-1.44%	2.42	2.46	(0.04)	$ 4,905.42	$ (174)
225	DRG 225 FOOT PROCEDURES	1.3235	1.2251	0.0984	8.03%	2.65	2.45	0.20	$ 4,905.42	$ 965
226	DRG 226 SOFT TISSUE PROC W CC	1.6783	1.5884	0.0899	5.66%	3.36	3.18	0.18	$ 4,905.42	$ 882
227	DRG 227 SOFT TISSUE PROC W/O CC	0.8719	0.8311	0.0408	4.91%	3.49	3.32	0.16	$ 4,905.42	$ 801
228	DRG 228 MAJ THMB/JT OR HAND/WRIST W CC	1.1877	1.1459	0.0418	3.65%	2.38	2.29	0.08	$ 4,905.42	$ 410
233	DRG 233 OTH MUSC/CONN TIS W CC	1.8831	1.9184	-0.0353	-1.84%	3.77	3.84	(0.07)	$ 4,905.42	$ (346)
236	DRG 236 FRACTURES OF HIP & PELVIS	0.8791	0.7407	0.1384	18.69%	16.70	14.07	2.63	$ 4,905.42	$ 12,899
237	DRG 237 SPRNS/STRNS/DISL-HIP/PEL/THIGH	0.7345	0.609	0.1255	20.61%	1.47	1.22	0.25	$ 4,905.42	$ 1,231
239	DRG 239 PATH FRAC/MUSC/CON TIS MALIGNCY	1.2001	1.0767	0.1234	11.46%	18.00	16.15	1.85	$ 4,905.42	$ 9,080
240	DRG 240 CONNECT TIS DISOR W CC	1.4523	1.4051	0.0472	3.36%	11.62	11.24	0.38	$ 4,905.42	$ 1,852
241	DRG 241 CONNECT TIS DISOR W/O CC	0.7172	0.6629	0.0543	8.19%	1.43	1.33	0.11	$ 4,905.42	$ 533
242	DRG 242 SEPTIC ARTHRITIS	1.2350	1.1504	0.0846	7.35%	1.24	1.15	0.08	$ 4,905.42	$ 415
243	DRG 243 MEDICAL BACK PROBLEMS	0.8680	0.7658	0.1022	13.35%	37.32	32.93	4.39	$ 4,905.42	$ 21,557
244	DRG 244 BONE DIS/SPEC ARTH W CC	0.8186	0.72	0.0986	13.69%	3.27	2.88	0.39	$ 4,905.42	$ 1,935
245	DRG 245 BONE DIS/SPEC ARTH W/O CC	0.5581	0.4583	0.0998	21.78%	2.79	2.29	0.50	$ 4,905.42	$ 2,448
247	DRG 247 SGNS/SYMP-MUSC/CONN TISSUE	0.6852	0.5795	0.1057	18.24%	8.22	6.95	1.27	$ 4,905.42	$ 6,222
248	DRG 248 TENDONITIS MYOSITIS & BURSITIS	0.9368	0.8554	0.0814	9.52%	14.99	13.69	1.30	$ 4,905.42	$ 6,389
250	DRG 250 FX/DISL-FRARM/HND/FT AGE >17 CC	0.7774	0.6974	0.08	11.47%	0.78	0.70	0.08	$ 4,905.42	$ 392
251	DRG 251 FX/DISL-FRARM/HND/FT >17 W/O CC	0.5561	0.4749	0.0812	17.10%	0.56	0.47	0.08	$ 4,905.42	$ 398
253	DRG 253 FX/DL-UPARM/LWLG EX FT AGE>17 CC	0.9049	0.7747	0.1302	16.81%	10.86	9.30	1.56	$ 4,905.42	$ 7,664
254	DRG 254 FX/DL-UPARM/LWLG EX FT >17 W/O C	0.5741	0.4588	0.1153	25.13%	2.87	2.29	0.58	$ 4,905.42	$ 2,828
256	DRG 256 OTH DXS-MUSC/CONNECTIVE TISSUE	0.9598	0.8509	0.1089	12.80%	2.88	2.55	0.33	$ 4,905.42	$ 1,603
257	DRG 257 TOT MASTEC-MALIGNCY W CC	0.9016	0.8967	0.0049	0.55%	2.70	2.69	0.01	$ 4,905.42	$ 72
263	DRG 263 SKN GRFT-SKN ULC/CEL W CC	2.2702	2.113	0.1572	7.44%	11.35	10.57	0.79	$ 4,905.42	$ 3,856
269	DRG 269 OTH SKN/SCUT TIS/BRST W CC	1.8802	1.8352	0.045	2.45%	3.76	3.67	0.09	$ 4,905.42	$ 441
270	DRG 270 OTH SKN/SCUT TIS/BRST W/O CC	0.8949	0.8313	0.0636	7.65%	0.89	0.83	0.06	$ 4,905.42	$ 312
271	DRG 271 SKIN ULCERS	1.2353	1.0195	0.2158	21.17%	13.59	11.21	2.37	$ 4,905.42	$ 11,644
272	DRG 272 MAJOR SKIN DISOR W CC	1.1364	0.986	0.1504	15.25%	7.95	6.90	1.05	$ 4,905.42	$ 5,164
274	DRG 274 MALIG BREAST DISOR W CC	1.2180	1.1294	0.0886	7.84%	2.44	2.26	0.18	$ 4,905.42	$ 869
277	DRG 277 CELLULITIS AGE >17 W CC	1.0015	0.8676	0.1339	15.43%	49.07	42.51	6.56	$ 4,905.42	$ 32,185
278	DRG 278 CELLULITIS AGE >17 W/O CC	0.6817	0.5391	0.1426	26.45%	10.23	8.09	2.14	$ 4,905.42	$ 10,493
280	DRG 280 TRMA-SKN/SCT TIS/BRST AGE >17 CC	0.8212	0.7313	0.0899	12.29%	10.68	9.51	1.17	$ 4,905.42	$ 5,733
281	DRG 281 TRMA-SKN/SCT TIS/BRST >17 W/O CC	0.5678	0.4913	0.0765	15.57%	0.57	0.49	0.08	$ 4,905.42	$ 375
283	DRG 283 MINOR SKIN DISOR W CC	0.8525	0.7423	0.1102	14.85%	0.85	0.74	0.11	$ 4,905.42	$ 541
287	DRG 287 SKN GRFT/WND DEBR-ENDOC/NUTR/MET	2.0354	1.947	0.0884	4.54%	4.07	3.89	0.18	$ 4,905.42	$ 867
288	DRG 288 O.R. PROCEDURES FOR OBESITY	1.7332	2.0384	-0.3052	-14.97%	1.73	2.04	(0.31)	$ 4,905.42	$ (1,497)
289	DRG 289 PARATHYROID PROCEDURES	0.8548	0.9315	-0.0767	-8.23%	1.71	1.86	(0.15)	$ 4,905.42	$ (752)

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
290	DRG 290 THYROID PROCEDURES	0.8454	0.8891	-0.0437	-4.92%	2.54	2.67	(0.13)	$ 4,905.42	$ (643)
292	DRG 292 OTH ENDOC/NUTR/MET PROC W CC	2.6043	2.6395	-0.0352	-1.33%	2.60	2.64	(0.04)	$ 4,905.42	$ (173)
294	DRG 294 DIABETES AGE >35	0.8642	0.7652	0.099	12.94%	30.25	26.78	3.47	$ 4,905.42	$ 16,997
296	DRG 296 NUTR/MISC METAB AGE >17 W CC	0.9041	0.8187	0.0854	10.43%	34.36	31.11	3.25	$ 4,905.42	$ 15,919
297	DRG 297 NUTR/MISC METAB AGE >17 W/O CC	0.5589	0.4879	0.071	14.55%	2.79	2.44	0.36	$ 4,905.42	$ 1,741
300	DRG 300 ENDOCRINE DISOR W CC	1.1666	1.0922	0.0744	6.81%	5.83	5.46	0.37	$ 4,905.42	$ 1,825
301	DRG 301 ENDOCRINE DISOR W/O CC	0.6427	0.6118	0.0309	5.05%	1.29	1.22	0.06	$ 4,905.42	$ 303
303	DRG 303 KID/URE/MAJ BLDR-NEOPLASM	2.3084	2.2183	0.0901	4.06%	6.93	6.65	0.27	$ 4,905.42	$ 1,326
304	DRG 304 KID/URE/MAJ BLDR-NONNL W CC	2.3631	2.3761	-0.013	-0.55%	4.73	4.75	(0.03)	$ 4,905.42	$ (128)
306	DRG 306 PROSTATECTOMY W CC	1.3307	1.27	0.0607	4.78%	2.66	2.54	0.12	$ 4,905.42	$ 596
307	DRG 307 PROSTATECTOMY W/O CC	0.6569	0.6202	0.0367	5.92%	0.66	0.62	0.04	$ 4,905.42	$ 180
308	DRG 308 MINOR BLADDER PROC W CC	1.7066	1.6349	0.0717	4.39%	1.71	1.63	0.07	$ 4,905.42	$ 352
310	DRG 310 TRANSURETHRAL PROC W CC	1.1913	1.1898	0.0015	0.13%	5.96	5.95	0.01	$ 4,905.42	$ 37
311	DRG 311 TRANSURETHRAL PROC W/O CC	0.6397	0.6432	-0.0035	-0.54%	2.56	2.57	(0.01)	$ 4,905.42	$ (69)
315	DRG 315 OTHER KIDNEY/URINARY TRACT PROC	1.9482	2.0823	-0.1341	-6.44%	7.79	8.33	(0.54)	$ 4,905.42	$ (2,631)
316	DRG 316 RENAL FAILURE	1.3481	1.2692	0.0789	6.22%	125.37	118.04	7.34	$ 4,905.42	$ 35,995
318	DRG 318 KID/URINARY NEOPLASMS W CC	1.2571	1.1539	0.1032	8.94%	2.51	2.31	0.21	$ 4,905.42	$ 1,012
320	DRG 320 KID/URINARY INFECT AGE>17 W CC	0.9538	0.8658	0.088	10.16%	84.89	77.06	7.83	$ 4,905.42	$ 38,419
321	DRG 321 KID/URINARY INFECT AGE>17 W/O CC	0.6512	0.5652	0.086	15.22%	9.77	8.48	1.29	$ 4,905.42	$ 6,328
323	DRG 323 URIN STONES W CC &/OR ESW LITH	0.8239	0.8214	0.0025	0.30%	7.42	7.39	0.02	$ 4,905.42	$ 110
325	DRG 325 KID/URINARY SGN/SYM AGE >17 W CC	0.7334	0.6436	0.0898	13.95%	3.67	3.22	0.45	$ 4,905.42	$ 2,203
326	DRG 326 KID/URINARY SGN/SYM >17 W/O CC	0.4932	0.4391	0.0541	12.32%	1.97	1.76	0.22	$ 4,905.42	$ 1,062
328	DRG 328 URETHRAL STRICTURE AGE>17 W CC	0.7346	0.7079	0.0267	3.77%	0.73	0.71	0.03	$ 4,905.42	$ 131
331	DRG 331 OTH KID/URINARY DXS AGE>17 W CC	1.1580	1.0619	0.0961	9.05%	16.21	14.87	1.35	$ 4,905.42	$ 6,600
332	DRG 332 OTH KID/URINARY DXS AGE>17 W/O C	0.6602	0.616	0.0442	7.18%	0.66	0.62	0.04	$ 4,905.42	$ 217
335	DRG 335 MAJOR MALE PELVIC PROC W/O CC	1.0701	1.1004	-0.0303	-2.75%	2.14	2.20	(0.06)	$ 4,905.42	$ (297)
336	DRG 336 TRANSURETH PROSTATEC W CC	0.8824	0.8425	0.0399	4.74%	0.88	0.84	0.04	$ 4,905.42	$ 196
337	DRG 337 TRANSURETH PROSTATEC W/O CC	0.5989	0.5747	0.0242	4.21%	0.60	0.57	0.02	$ 4,905.42	$ 119
339	DRG 339 TESTES PROC NON-MALIG AGE >17	1.3418	1.1866	0.1552	13.08%	4.03	3.56	0.47	$ 4,905.42	$ 2,284
345	DRG 345 OTH MALE REPRO EXCEPT FOR MALIG	1.3524	1.1472	0.2052	17.89%	1.35	1.15	0.21	$ 4,905.42	$ 1,007
346	DRG 346 MALIG MALE REPRO W CC	1.1351	1.0441	0.091	8.72%	2.27	2.09	0.18	$ 4,905.42	$ 893
350	DRG 350 INFLAMMATION OF THE MALE REPRO	0.8552	0.7289	0.1263	17.33%	1.71	1.46	0.25	$ 4,905.42	$ 1,239

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
354	DRG 354 UTER/ADN PRC NON-OV/ADN MALI W C	1.5594	1.5135	0.0459	3.03%	3.12	3.03	0.09	$ 4,905.42	$ 450
355	DRG 355 UTER/ADN PRC NON-OV/ADN MALI W/O	0.9349	0.8824	0.0525	5.95%	0.93	0.88	0.05	$ 4,905.42	$ 258
356	DRG 356 FEMALE REPRO RECONST PROC	0.7426	0.7428	-0.0002	-0.03%	2.97	2.97	(0.00)	$ 4,905.42	$ (4)
357	DRG 357 UTER&ADNXA PROC OVAR/ADNXL MALIG	2.2785	2.2237	0.0548	2.46%	2.28	2.22	0.05	$ 4,905.42	$ 269
358	DRG 358 UTER & ADNXA PROC NON-MAL W CC	1.1816	1.1448	0.0368	3.21%	5.91	5.72	0.18	$ 4,905.42	$ 903
359	DRG 359 UTER & ADNXA PROC NON-MAL W/O CC	0.8258	0.7948	0.031	3.90%	3.30	3.18	0.12	$ 4,905.42	$ 608
368	DRG 368 INFECTIONS FEMALE REPRO SYS	1.2262	1.1684	0.0578	4.95%	1.23	1.17	0.06	$ 4,905.42	$ 284
369	DRG 369 MENSTRUAL/OTH FEMALE REPRO DISOR	0.6696	0.631	0.0386	6.12%	0.67	0.63	0.04	$ 4,905.42	$ 189
370	DRG 370 CESAREAN SECTION W CC	1.1080	0.8974	0.2106	23.47%	2.22	1.79	0.42	$ 4,905.42	$ 2,066
372	DRG 372 VAGINAL DELIVERY W COM DXS	0.7390	0.5027	0.2363	47.01%	0.74	0.50	0.24	$ 4,905.42	$ 1,159
392	DRG 392 SPLENECTOMY AGE >17	3.1188	3.0459	0.0729	2.39%	9.36	9.14	0.22	$ 4,905.42	$ 1,073
394	DRG 394 OTH O.R. PRC BLOOD/BLOOD ORGANS	1.8725	1.9109	-0.0384	-2.01%	1.87	1.91	(0.04)	$ 4,905.42	$ (188)
395	DRG 395 RED BLOOD CELL DISOR AGE >17	0.9413	0.8328	0.1085	13.03%	25.42	22.49	2.93	$ 4,905.42	$ 14,370
397	DRG 397 COAGULATION DISORDERS	1.3611	1.2986	0.0625	4.81%	8.17	7.79	0.37	$ 4,905.42	$ 1,840
398	DRG 398 RETICUL/IMMUNITY W CC	1.2912	1.2082	0.083	6.87%	5.16	4.83	0.33	$ 4,905.42	$ 1,629
399	DRG 399 RETICUL/IMMUNITY W/O CC	0.7064	0.6674	0.039	5.84%	0.71	0.67	0.04	$ 4,905.42	$ 191
401	DRG 401 LYMPH&NON-ACUT LEUK W OTH PRC CC	2.8703	2.9678	-0.0975	-3.29%	8.61	8.90	(0.29)	$ 4,905.42	$ (1,435)
402	DRG 402 LYMPH&NON-ACUT LK W OTH PR W/O C	1.1380	1.181	-0.043	-3.64%	1.14	1.18	(0.04)	$ 4,905.42	$ (211)
403	DRG 403 LYMPH&NON-ACUT LEUKEMIA W CC	1.8986	1.8432	0.0554	3.01%	24.68	23.96	0.72	$ 4,905.42	$ 3,533
404	DRG 404 LYMPH&NON-ACUT LEUKEMIA W/O CC	0.9137	0.9265	-0.0128	-1.38%	1.83	1.85	(0.03)	$ 4,905.42	$ (126)
408	DRG 408 MYEL/NEOPLASM W OTH O.R.PROC	2.1388	2.246	-0.1072	-4.77%	2.14	2.25	(0.11)	$ 4,905.42	$ (526)
410	DRG 410 CHEMOTHERAPY W/O ACUTE LEUKEMIA	1.0178	1.1069	-0.0891	-8.05%	2.04	2.21	(0.18)	$ 4,905.42	$ (874)
413	DRG 413 OTH MYEL/NEOPL DXS W CC	1.4097	1.3048	0.1049	8.04%	4.23	3.91	0.31	$ 4,905.42	$ 1,544
415	DRG 415 O.R. PROC-INFECT/PARAS DISEASES	4.1393	3.989	0.1503	3.77%	103.48	99.73	3.76	$ 4,905.42	$ 18,432
416	DRG 416 SEPTICEMIA AGE >17	1.8340	1.6774	0.1566	9.34%	394.31	360.64	33.67	$ 4,905.42	$ 165,161
418	DRG 418 POSTOPERATIVE/TRAUMATIC INFECTNS	1.1938	1.0716	0.1222	11.40%	4.78	4.29	0.49	$ 4,905.42	$ 2,398
419	DRG 419 FEVER OF UNK ORIG AGE >17 W CC	0.8951	0.8453	0.0498	5.89%	1.79	1.69	0.10	$ 4,905.42	$ 489
421	DRG 421 VIRAL ILLNESS AGE >17	0.8210	0.7664	0.0546	7.12%	3.28	3.07	0.22	$ 4,905.42	$ 1,071
423	DRG 423 OTH INFECT/PARAS DISEASES DXS	1.9053	1.9196	-0.0143	-0.74%	1.91	1.92	(0.01)	$ 4,905.42	$ (70)
426	DRG 426 DEPRESSIVE NEUROSES	0.7464	0.4656	0.2808	60.31%	0.75	0.47	0.28	$ 4,905.42	$ 1,377
429	DRG 429 ORGANIC DISTURBS/MENTAL RETRDTN	0.9614	0.7919	0.1695	21.40%	5.77	4.75	1.02	$ 4,905.42	$ 4,989

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on FRC
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
430	DRG 430 PSYCHOSES	1.2316	0.6483	0.5833	89.97%	4.93	2.59	2.33	$ 4,905.42	$ 11,445
439	DRG 439 SKIN GRAFTS FOR INJURIES	2.0857	1.9398	0.1459	7.52%	2.09	1.94	0.15	$ 4,905.42	$ 716
441	DRG 441 HAND PROCEDURES FOR INJURIES	1.0682	0.9382	0.13	13.86%	1.07	0.94	0.13	$ 4,905.42	$ 638
442	DRG 442 OTH O.R. PROC-INJURIES W CC	2.6213	2.566	0.0553	2.16%	10.49	10.26	0.22	$ 4,905.42	$ 1,085
443	DRG 443 OTH O.R. PROC-INJURIES W/O CC	1.0919	0.9943	0.0976	9.82%	2.18	1.99	0.20	$ 4,905.42	$ 958
444	DRG 444 TRAUMATIC INJURY AGE >17 W CC	0.8329	0.7556	0.0773	10.23%	5.00	4.53	0.46	$ 4,905.42	$ 2,275
445	DRG 445 TRAUMATIC INJURY AGE >17 W/O CC	0.5792	0.5033	0.0759	15.08%	0.58	0.50	0.08	$ 4,905.42	$ 372
449	DRG 449 POIS/TOXIC EFF-DRUGS AGE>17 W CC	0.9882	0.8529	0.1353	15.86%	7.91	6.82	1.08	$ 4,905.42	$ 5,310
452	DRG 452 COMPL OF TREATMENT W CC	1.1377	1.0462	0.0915	8.75%	10.24	9.42	0.82	$ 4,905.42	$ 4,040
453	DRG 453 COMPL OF TREATMENT W/O CC	0.5867	0.5285	0.0582	11.01%	0.59	0.53	0.06	$ 4,905.42	$ 285
454	DRG 454 OTH INJ/TOXIC EFF DX W CC	0.9136	0.8141	0.0995	12.22%	0.91	0.81	0.10	$ 4,905.42	$ 488
462	DRG 462 REHABILITATION	1.5753	0.87	0.7053	81.07%	1.58	0.87	0.71	$ 4,905.42	$ 3,460
463	DRG 463 SIGNS & SYMPTOMS W CC	0.7661	0.696	0.0701	10.07%	7.66	6.96	0.70	$ 4,905.42	$ 3,439
464	DRG 464 SIGNS & SYMPTOMS W/O CC	0.5663	0.5055	0.0608	12.03%	1.70	1.52	0.18	$ 4,905.42	$ 895
467	DRG 467 OTH FACTORS INFLU HEALTH STATUS	0.5408	0.4803	0.0605	12.60%	0.54	0.48	0.06	$ 4,905.42	$ 297
468	DRG 468 EXT O.R. PROC UNREL TO PRINC DX	3.8122	4.0031	-0.1909	-4.77%	76.24	80.06	(3.82)	$ 4,905.42	$ (18,729)
471	DRG 471 BIL/MULT MAJ JNT PROC-LWR EXTR	2.7365	3.1391	-0.4026	-12.83%	2.74	3.14	(0.40)	$ 4,905.42	$ (1,975)
473	DRG 473 ACUTE LEUK W/O MAJ PROC AGE >17	3.4703	3.4231	0.0472	1.38%	3.47	3.42	0.05	$ 4,905.42	$ 232
475	DRG 475 RESP SYS DX W/VENTILATOR SUP	3.8279	3.6091	0.2188	6.06%	256.47	241.81	14.66	$ 4,905.42	$ 71,911
476	DRG 476 PROST O.R. PROC UNREL TO PRIN DX	2.1079	2.1822	-0.0743	-3.40%	2.11	2.18	(0.07)	$ 4,905.42	$ (364)
477	DRG 477 NON-EXT OR PROC UNREL TO PRIN DX	2.0694	2.0607	0.0087	0.42%	28.97	28.85	0.12	$ 4,905.42	$ 597
479	DRG 479 OTHER VASCULAR PROC W/O CC	1.2715	1.4434	-0.1719	-11.91%	2.54	2.89	(0.34)	$ 4,905.42	$ (1,686)
485	DRG 485 LIMB REATTACH-MULT TRAUMA	3.5846	3.4952	0.0894	2.56%	3.58	3.50	0.09	$ 4,905.42	$ 439
491	DRG 491 MAJ JOINT & LIMB REATTACH-UP EXT	1.5997	1.678	-0.0783	-4.67%	3.20	3.36	(0.16)	$ 4,905.42	$ (768)
493	DRG 493 LAPARO CHOLEC W/O C.D.E. W CC	1.7812	1.8333	-0.0521	-2.84%	39.19	40.33	(1.15)	$ 4,905.42	$ (5,623)
494	DRG 494 LAPARO CHOLEC W/O C.D.E. W/O CC	0.9795	1.0285	-0.049	-4.76%	8.82	9.26	(0.44)	$ 4,905.42	$ (2,163)
497	DRG 497 SPINAL FUSION W CC	3.3300	3.6224	-0.2924	-8.07%	6.66	7.24	(0.58)	$ 4,905.42	$ (2,869)
498	DRG 498 SPINAL FUSION W/O CC	2.5267	2.7791	-0.2524	-9.08%	5.05	5.56	(0.50)	$ 4,905.42	$ (2,476)
499	DRG 499 BACK-NECK PROC EX SPNL FUSN W CC	1.3408	1.3831	-0.0423	-3.06%	6.70	6.92	(0.21)	$ 4,905.42	$ (1,037)
500	DRG 500 BACK-NECK PROC EX SPNL FUSN W/O	0.8707	0.9046	-0.0339	-3.75%	6.97	7.24	(0.27)	$ 4,905.42	$ (1,330)
519	DRG 519 CERVICAL SPINAL FUSION W CC	2.2859	2.4695	-0.1836	-7.43%	2.29	2.47	(0.18)	$ 4,905.42	$ (901)

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on FRC

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
523	DRG 523 ALC/DRUG AB/DEPND W/O REH W/O CC	0.5474	0.3793	0.1681	44.32%	1.09	0.76	0.34	$ 4,905.42	$ 1,649
524	DRG 524 TRANSIENT ISCHEMIA	0.6913	0.7288	-0.0375	-5.15%	45.63	48.10	(2.48)	$ 4,905.42	$ (12,141)
533	DRG 533 EXTRACRANIAL PROCEDURES W CC	1.4911	1.5767	-0.0856	-5.43%	23.86	25.23	(1.37)	$ 4,905.42	$ (6,718)
534	DRG 534 EXTRACRANIAL PROCEDURES W/O CC	0.9668	1.0201	-0.0533	-5.22%	10.63	11.22	(0.59)	$ 4,905.42	$ (2,876)
538	DRG 538 REM FIX DEV EXC HIP/FEM W/O CC	1.0223	0.9833	0.039	3.97%	3.07	2.95	0.12	$ 4,905.42	$ 574
541	DRG 541 TRA W MV 96+ / PDX EX F/M/N W OR	19.9990	19.8038	0.1952	0.99%	20.00	19.80	0.20	$ 4,905.42	$ 958
542	DRG 542 TRA W MV 96+ / PDX EX F/N W/O OR	12.5966	12.8719	-0.2753	-2.14%	75.58	77.23	(1.65)	$ 4,905.42	$ (8,103)
544	DRG 544 MAJ JOINT REPLAC/REATTACH-LOW EX	1.8941	1.9643	-0.0702	-3.57%	181.83	188.57	(6.74)	$ 4,905.42	$ (33,059)
545	DRG 545 REVISION - HIP/KNEE REPLACEMENT	2.4127	2.4827	-0.07	-2.82%	21.71	22.34	(0.63)	$ 4,878.13	$ (3,073)
551	DRG 551 PERM CAR PACE IMP W MAJ CV DX	2.6339	3.1007	-0.4668	-15.05%	36.87	43.41	(6.54)	$ 4,878.13	$ (31,880)
552	DRG 552 OTH PER CAR PAC IMP W/O MA CV DX	1.7670	2.0996	-0.3326	-15.84%	19.44	23.10	(3.66)	$ 4,878.13	$ (17,847)
553	DRG 553 OTH VAS PRC W CC W MAJ CV DX	2.8371	3.0957	-0.2586	-8.35%	25.53	27.86	(2.33)	$ 4,878.13	$ (11,353)
554	DRG 554 OTH VAS PRC W CC W/O MAJ CV DX	1.9483	2.0721	-0.1238	-5.97%	13.64	14.50	(0.87)	$ 4,878.13	$ (4,227)
	TOTAL	1.33	1.28	0.0567097	4.44%	5,075.34	4,859.50	215.84		1,059,155

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on WPH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
1	DRG 1 CRANIOTOMY AGE >17 W CC	3.5289	3.4347	0.0942	2.74%	67.05	65.26	1.79	$ 4,905.42	$ 8,780
2	DRG 2 CRANIOTOMY AGE >17 W/O CC	1.9870	1.9587	0.0283	1.44%	9.94	9.79	0.14	$ 4,905.42	$ 694
7	DRG 7 PER/CRAN/OTH NERV W/ CC	2.5775	2.6978	-0.1203	-4.46%	67.02	70.14	(3.13)	$ 4,905.42	$ (15,343)
8	DRG 8 PER/CRAN/OTH NERV W/O CC	1.4057	1.5635	-0.1578	-10.09%	2.81	3.13	(0.32)	$ 4,905.42	$ (1,548)
9	DRG 9 SPINAL DISORDERS & INJURIES	1.4543	1.4045	0.0498	3.55%	1.45	1.40	0.05	$ 4,905.42	$ 244
10	DRG 10 NERVOUS SYSTEM NEOPLASMS W CC	1.2513	1.2222	0.0291	2.38%	3.75	3.67	0.09	$ 4,905.42	$ 428
12	DRG 12 DEGENERATIVE NERV SYS DISORDERS	1.0105	0.8998	0.1107	12.30%	22.23	19.80	2.44	$ 4,905.42	$ 11,947
14	DRG 14 INTRACRAN HEMOR OR CEREBRA INFAR	1.2480	1.2456	0.0024	0.19%	87.36	87.19	0.17	$ 4,905.42	$ 824
15	DRG 15 NONSPE CVA/PRECER OCCLU W/O INFA	0.9170	0.9421	-0.0251	-2.66%	10.09	10.36	(0.28)	$ 4,905.42	$ (1,354)
16	DRG 16 NONSPEC CEREBROVASC DISOR W CC	1.3632	1.3351	0.0281	2.10%	16.36	16.02	0.34	$ 4,905.42	$ 1,654
18	DRG 18 CRAN/PER NERV DISOR W CC	1.0501	0.9903	0.0598	6.04%	18.90	17.83	1.08	$ 4,905.42	$ 5,280
19	DRG 19 CRAN/PER NERV DISOR W/O CC	0.7128	0.7077	0.0051	0.72%	1.43	1.42	0.01	$ 4,905.42	$ 50
20	DRG 20 NERV INFECTN EXC VIRAL MENINGITI	2.7596	2.7865	-0.0269	-0.97%	8.28	8.36	(0.08)	$ 4,905.42	$ (396)
21	DRG 21 VIRAL MENINGITIS	1.4536	1.4451	0.0085	0.59%	1.45	1.45	0.01	$ 4,905.42	$ 42
22	DRG 22 HYPERTENSIVE ENCEPHALOPATHY	1.2386	1.1304	0.1082	9.57%	1.24	1.13	0.11	$ 4,905.42	$ 531
23	DRG 23 NONTRAUMATIC STUPOR & COMA	0.8423	0.7712	0.0711	9.22%	3.37	3.08	0.28	$ 4,905.42	$ 1,395
24	DRG 24 SEIZURE & HEADACHE AGE >17 W CC	1.0388	0.997	0.0418	4.19%	33.24	31.90	1.34	$ 4,905.42	$ 6,561
25	DRG 25 SEIZURE+HEADACHE AGE >17 W/O CC	0.6436	0.618	0.0256	4.14%	6.44	6.18	0.26	$ 4,905.42	$ 1,256
27	DRG 27 TRAU STUPOR/COMA>1 HR	1.4281	1.3531	0.075	5.54%	1.43	1.35	0.08	$ 4,905.42	$ 368
28	DRG 28 TRAU STUP/COM<1 HR AGE>17 W CC	1.4037	1.3353	0.0684	5.12%	9.83	9.35	0.48	$ 4,905.42	$ 2,349
31	DRG 31 CONCUSSION AGE >17 W CC	0.9511	0.9567	-0.0056	-0.59%	0.95	0.96	(0.01)	$ 4,905.42	$ (27)
34	DRG 34 OTH DISOR-NERV SYS W CC	1.0347	1.0062	0.0285	2.83%	9.31	9.06	0.26	$ 4,905.42	$ 1,258
35	DRG 35 OTH DISOR-NERV SYS W/O CC	0.6453	0.6241	0.0212	3.40%	3.23	3.12	0.11	$ 4,905.42	$ 520
36	DRG 36 RETINAL PROCEDURES	0.7936	0.7288	0.0648	8.89%	0.79	0.73	0.06	$ 4,905.42	$ 318
37	DRG 37 ORBITAL PROCEDURES	1.2193	1.1858	0.0335	2.83%	1.22	1.19	0.03	$ 4,905.42	$ 164
39	DRG 39 LENS PROC W OR W/O VITRECTOMY	0.7098	0.7108	-0.001	-0.14%	0.71	0.71	(0.00)	$ 4,905.42	$ (5)
45	DRG 45 NEUROLOGICAL EYE DISORDERS	0.6809	0.7474	-0.0665	-8.90%	1.36	1.49	(0.13)	$ 4,905.42	$ (652)
46	DRG 46 OTH DISOR-EYE AGE >17 W CC	0.8135	0.7524	0.0611	8.12%	1.63	1.50	0.12	$ 4,905.42	$ 599
47	DRG 47 OTH DISOR-EYE AGE >17 W/O CC	0.5728	0.5203	0.0525	10.09%	0.57	0.52	0.05	$ 4,905.42	$ 258
49	DRG 49 MAJOR HEAD & NECK PROCEDURES	1.7653	1.6361	0.1292	7.90%	1.77	1.64	0.13	$ 4,905.42	$ 634
57	DRG 57 T&A PRC EXC TONSL/ADN AGE >17	1.0220	1.0428	-0.0208	-1.99%	1.02	1.04	(0.02)	$ 4,905.42	$ (102)
63	DRG 63 OTH EAR/NOSE/THROAT O.R. PROC	1.4153	1.3983	0.017	1.22%	1.42	1.40	0.02	$ 4,905.42	$ 83
64	DRG 64 EAR/NOSE/THROAT MALIG	1.2875	1.1663	0.1212	10.39%	2.58	2.33	0.24	$ 4,905.42	$ 1,189
65	DRG 65 DYSEQUILIBRIUM	0.5799	0.5991	-0.0192	-3.20%	8.12	8.39	(0.27)	$ 4,905.42	$ (1,319)
66	DRG 66 EPISTAXIS	0.6790	0.5958	0.0832	13.96%	0.68	0.60	0.08	$ 4,905.42	$ 408
67	DRG 67 EPIGLOTTITIS	0.9830	0.7725	0.2105	27.25%	0.98	0.77	0.21	$ 4,905.42	$ 1,033
68	DRG 68 OTITIS MEDIA/URI AGE >17 W CC	0.7572	0.6611	0.0961	14.54%	6.06	5.29	0.77	$ 4,905.42	$ 3,771
69	DRG 69 OTITIS MEDIA/URI AGE >17 W/O CC	0.5706	0.485	0.0856	17.65%	1.71	1.46	0.26	$ 4,905.42	$ 1,260
72	DRG 72 NASAL TRAUMA & DEFORMITY	0.7502	0.7449	0.0053	0.71%	1.50	1.49	0.01	$ 4,905.42	$ 52

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on WPH
DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
73	DRG 73 OTH EAR/NOSE/THROAT DX AGE >17	0.9140	0.8527	0.0613	7.19%	6.40	5.97	0.43	$ 4,905.42	$ 2,105
75	DRG 75 MAJOR CHEST PROCEDURES	3.0790	3.0732	0.0058	0.19%	86.21	86.05	0.16	$ 4,905.42	$ 797
76	DRG 76 OTH RESP SYSTEM O.R. PROC W CC	2.7410	2.883	-0.142	-4.93%	30.15	31.71	(1.56)	$ 4,905.42	$ (7,662)
77	DRG 77 OTH RESP SYSTEM O.R. PROC W/O CC	1.1515	1.1857	-0.0342	-2.88%	1.15	1.19	(0.03)	$ 4,905.42	$ (168)
78	DRG 78 PULMONARY EMBOLISM	1.3229	1.2427	0.0802	6.45%	22.49	21.13	1.36	$ 4,905.42	$ 6,688
79	DRG 79 RESP INFEC/INFL AGE >17 W CC	1.7331	1.6238	0.1093	6.73%	107.45	100.68	6.78	$ 4,905.42	$ 33,242
80	DRG 80 RESP INFEC/INFL AGE >17 W/O CC	1.0190	0.8947	0.1243	13.89%	2.04	1.79	0.25	$ 4,905.42	$ 1,219
82	DRG 82 RESPIRATORY NEOPLASMS	1.4335	1.3936	0.0399	2.86%	34.40	33.45	0.96	$ 4,905.42	$ 4,697
85	DRG 85 PLEURAL EFFUSION W CC	1.2935	1.2405	0.053	4.27%	16.82	16.13	0.69	$ 4,905.42	$ 3,380
87	DRG 87 PULMONARY EDEMA & RESP FAILURE	1.5310	1.3654	0.1656	12.13%	44.40	39.60	4.80	$ 4,905.42	$ 23,558
88	DRG 88 CHRONIC OBSTRUCTIVE PULM DISEASE	0.9557	0.8778	0.0779	8.87%	95.57	87.78	7.79	$ 4,905.42	$ 38,213
89	DRG 89 SIMP PNEUM/PLEUR AGE >17 W CC	1.1291	1.032	0.0971	9.41%	110.65	101.14	9.52	$ 4,905.42	$ 46,679
90	DRG 90 SIMP PNEUM/PLEUR AGE >17 W/O CC	0.7043	0.6104	0.0939	15.38%	7.04	6.10	0.94	$ 4,905.42	$ 4,606
92	DRG 92 INTERSTITIAL LUNG W CC	1.2410	1.1853	0.0557	4.70%	3.72	3.56	0.17	$ 4,905.42	$ 820
94	DRG 94 PNEUMOTHORAX W CC	1.2852	1.1354	0.1498	13.19%	3.86	3.41	0.45	$ 4,905.42	$ 2,204
95	DRG 95 PNEUMOTHORAX W/O CC	0.7018	0.6035	0.0983	16.29%	0.70	0.60	0.10	$ 4,905.42	$ 482
96	DRG 96 BRONCH/ASTHMA AGE >17 W CC	0.8093	0.7303	0.079	10.82%	13.76	12.42	1.34	$ 4,905.42	$ 6,588
97	DRG 97 BRONCH/ASTHMA AGE >17 W/O CC	0.6199	0.5364	0.0835	15.57%	6.20	5.36	0.84	$ 4,905.42	$ 4,096
99	DRG 99 RESP SIGNS/SYMPS W CC	0.7101	0.7094	0.0007	0.10%	3.55	3.55	0.00	$ 4,905.42	$ 17
101	DRG 101 OTH RESPIRATORY DXS W CC	0.9106	0.8733	0.0373	4.27%	6.37	6.11	0.26	$ 4,905.42	$ 1,281
102	DRG 102 OTH RESPIRATORY DXS W/O CC	0.5625	0.5402	0.0223	4.13%	1.13	1.08	0.04	$ 4,905.42	$ 219
104	DRG 104 CARDIAC VALVE PROC W/CATH	7.4447	8.2201	-0.7754	-9.43%	402.01	443.89	(41.87)	$ 4,905.42	$ (205,398)
105	DRG 105 CARDIAC VALVE PROC W/O CATH	5.6619	6.0192	-0.3573	-5.94%	118.90	126.40	(7.50)	$ 4,905.42	$ (36,807)
106	DRG 106 CORONARY BYPASS WITH PTCA	5.9701	7.0346	-1.0645	-15.13%	23.88	28.14	(4.26)	$ 4,905.42	$ (20,887)
108	DRG 108 OTHER CARDIOTHORACIC PROC	5.4207	5.8789	-0.4582	-7.79%	32.52	35.27	(2.75)	$ 4,905.42	$ (13,486)
110	DRG 110 MAJ CARDIOVASCULAR PROC W CC	3.6419	3.8417	-0.1998	-5.20%	142.03	149.83	(7.79)	$ 4,905.42	$ (38,224)
111	DRG 111 MAJ CARDIOVASCULAR PROC W/O CC	2.2318	2.484	-0.2522	-10.15%	13.39	14.90	(1.51)	$ 4,905.42	$ (7,423)
113	DRG 113 AMPUTN-CIRC SYS EXC UPR LIMB/TOE	3.3828	3.1682	0.2146	6.77%	64.27	60.20	4.08	$ 4,905.42	$ 20,001
117	DRG 117 PACEMKR REVIS EXC DEVICE REPL	1.2528	1.3223	-0.0695	-5.26%	13.78	14.55	(0.76)	$ 4,905.42	$ (3,750)
118	DRG 118 PACEMAKER DEVICE REPL	1.3882	1.638	-0.2498	-15.25%	4.16	4.91	(0.75)	$ 4,905.42	$ (3,676)
120	DRG 120 OTH CIRCULATORY SYS O.R. PROC	2.3109	2.3853	-0.0744	-3.12%	16.18	16.70	(0.52)	$ 4,905.42	$ (2,555)
121	DRG 121 CIRC DIS W/AMI & MAJ COMP ALIVE	1.6883	1.6136	0.0747	4.63%	69.22	66.16	3.06	$ 4,905.42	$ 15,024
122	DRG 122 CIRC DIS W/AMI W/O MAJ COMP ALIV	0.9802	0.9847	-0.0045	-0.46%	17.64	17.72	(0.08)	$ 4,905.42	$ (397)
123	DRG 123 CIRC DISOR-AMI-EXPIRED	1.6053	1.5407	0.0646	4.19%	14.45	13.87	0.58	$ 4,905.42	$ 2,852
124	DRG 124 CIRC DIS EX AMI W/CATH COMP DX	1.1670	1.4425	-0.2755	-19.10%	82.86	102.42	(19.56)	$ 4,905.42	$ (95,952)
125	DRG 125 CIRC DIS EX AMI W/CAT W/O CMP DX	0.7862	1.0948	-0.3086	-28.19%	36.95	51.46	(14.50)	$ 4,905.42	$ (71,149)

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
126	DRG 126 ACUTE & SUBACUTE ENDOCARDITIS	2.5526	2.744	-0.1914	-6.98%	7.66	8.23	(0.57)	$ 4,905.42	$ (2,817)
127	DRG 127 HEART FAILURE & SHOCK	1.0635	1.0345	0.029	2.80%	232.91	226.56	6.35	$ 4,905.42	$ 31,154
130	DRG 130 PERIP VASC DISOR W CC	1.0637	0.9425	0.1212	12.86%	46.80	41.47	5.33	$ 4,905.42	$ 26,160
131	DRG 131 PERIP VASC DISOR W/O CC	0.6813	0.5566	0.1247	22.40%	3.41	2.78	0.62	$ 4,905.42	$ 3,059
132	DRG 132 ATHEROSCLEROSIS W CC	0.6482	0.6273	0.0209	3.33%	14.91	14.43	0.48	$ 4,905.42	$ 2,358
133	DRG 133 ATHEROSCLEROSIS W/O CC	0.5237	0.5337	-0.01	-1.87%	2.62	2.67	(0.05)	$ 4,905.42	$ (245)
134	DRG 134 HYPERTENSION	0.6464	0.6068	0.0396	6.53%	5.17	4.85	0.32	$ 4,905.42	$ 1,554
135	DRG 135 CONGEN/VALV DISOR AGE >17 W CC	0.9122	0.8917	0.0205	2.30%	0.91	0.89	0.02	$ 4,905.42	$ 101
136	DRG 136 CONGEN/VALV DISOR AGE >17 W/O CC	0.5684	0.6214	-0.053	-8.53%	0.57	0.62	(0.05)	$ 4,905.42	$ (260)
138	DRG 138 ARRHYT/CONDUC DIS W CC	0.8504	0.8287	0.0217	2.62%	64.63	62.98	1.65	$ 4,905.42	$ 8,090
139	DRG 139 ARRHYT/CONDUC DIS W/O CC	0.5221	0.5227	-0.0006	-0.11%	10.96	10.98	(0.01)	$ 4,905.42	$ (62)
141	DRG 141 SYNCOPE & COLLAPSE W CC	0.7009	0.7521	-0.0512	-6.81%	32.94	35.35	(2.41)	$ 4,905.42	$ (11,804)
142	DRG 142 SYNCOPE & COLLAPSE W/O CC	0.5312	0.5852	-0.054	-9.23%	8.50	9.36	(0.86)	$ 4,905.42	$ (4,238)
143	DRG 143 CHEST PAIN	0.5137	0.5659	-0.0522	-9.22%	24.66	27.16	(2.51)	$ 4,905.42	$ (12,291)
144	DRG 144 OTHER CIRCULATORY DXS W CC	1.3781	1.2761	0.102	7.99%	64.77	59.98	4.79	$ 4,905.42	$ 23,517
146	DRG 146 RECTAL RESECTION W CC	2.8001	2.6621	0.138	5.18%	5.60	5.32	0.28	$ 4,905.42	$ 1,354
147	DRG 147 RECTAL RESECTION W/O CC	1.5698	1.4781	0.0917	6.20%	3.14	2.96	0.18	$ 4,905.42	$ 900
148	DRG 148 MAJ SM/LG BOWEL PROC W CC	3.5831	3.4479	0.1352	3.92%	121.83	117.23	4.60	$ 4,905.42	$ 22,549
149	DRG 149 MAJ SM/LG BOWEL PROC W/O CC	1.5441	1.4324	0.1117	7.80%	7.72	7.16	0.56	$ 4,905.42	$ 2,740
150	DRG 150 PERIT ADHESIOLYSIS W CC	2.9172	2.8061	0.1111	3.96%	29.17	28.06	1.11	$ 4,905.42	$ 5,450
151	DRG 151 PERIT ADHESIOLYSIS W/O CC	1.3530	1.2641	0.0889	7.03%	2.71	2.53	0.18	$ 4,905.42	$ 872
152	DRG 152 MIN SM/LG BOWEL PR W CC	2.0074	1.8783	0.1291	6.87%	4.01	3.76	0.26	$ 4,905.42	$ 1,267
154	DRG 154 STOM/ESOPH/DUOD AGE >17 W CC	4.2032	4.0399	0.1633	4.04%	16.81	16.16	0.65	$ 4,905.42	$ 3,204
155	DRG 155 STOM/ESOPH/DUOD AGE >17 W/O CC	1.3089	1.2889	0.02	1.55%	3.93	3.87	0.06	$ 4,905.42	$ 294
158	DRG 158 ANAL & STOMAL PROC W/O CC	0.7114	0.6657	0.0457	6.86%	0.71	0.67	0.05	$ 4,905.42	$ 224
159	DRG 159 HERNIA EXC ING/FEM AGE >17 W CC	1.4745	1.4081	0.0664	4.72%	4.42	4.22	0.20	$ 4,905.42	$ 977
160	DRG 160 HERNIA EXC ING/FEM AGE>17 W/O CC	0.8749	0.8431	0.0318	3.77%	1.75	1.69	0.06	$ 4,905.42	$ 312
161	DRG 161 INGUIN/FEMORL HERN AGE>17 W CC	1.2461	1.1931	0.053	4.44%	2.49	2.39	0.11	$ 4,905.42	$ 520
162	DRG 162 INGUIN/FEMORL HERN AGE>17 W/O CC	0.6982	0.6785	0.0197	2.90%	1.40	1.36	0.04	$ 4,905.42	$ 193
165	DRG 165 APPENDECTOMY-COM DX W/O CC	1.1907	1.1868	0.0039	0.33%	2.38	2.37	0.01	$ 4,905.42	$ 38
166	DRG 166 APPENDECTOMY W/O COMP DIAG W CC	1.3900	1.4521	-0.0621	-4.28%	1.39	1.45	(0.06)	$ 4,905.42	$ (305)
168	DRG 168 MOUTH PROCEDURES W CC	1.3278	1.2662	0.0616	4.86%	1.33	1.27	0.06	$ 4,905.42	$ 302
170	DRG 170 OTH DIGESTIVE O.R. PROC W CC	2.9351	2.9612	-0.0261	-0.88%	17.61	17.77	(0.16)	$ 4,905.42	$ (768)
171	DRG 171 OTH DIGESTIVE O.R. PROC W/O CC	1.2434	1.1905	0.0529	4.44%	2.49	2.38	0.11	$ 4,905.42	$ 519
172	DRG 172 DIGESTIVE MALIGNANCY W CC	1.4585	1.4125	0.046	3.26%	14.59	14.13	0.46	$ 4,905.42	$ 2,256
173	DRG 173 DIGESTIVE MALIGNANCY W/O CC	0.7562	0.7443	0.0119	1.60%	1.51	1.49	0.02	$ 4,905.42	$ 117
174	DRG 174 G.I. HEMORRHAGE W CC	1.1360	1.006	0.13	12.92%	84.06	74.44	9.62	$ 4,905.42	$ 47,190
175	DRG 175 G.I. HEMORRHAGE W/O CC	0.6295	0.5646	0.0649	11.49%	5.04	4.52	0.52	$ 4,905.42	$ 2,547

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
176	DRG 176 COMPLICATED PEPTIC ULCER	1.1757	1.1246	0.0511	4.54%	5.88	5.62	0.26	$ 4,905.42	$ 1,253
177	DRG 177 UNCOMPL PEPTIC ULCER W CC	0.9595	0.9166	0.0429	4.68%	4.80	4.58	0.21	$ 4,905.42	$ 1,052
179	DRG 179 INFLAMMATORY BOWEL DISEASE	1.1460	1.0911	0.0549	5.03%	4.58	4.36	0.22	$ 4,905.42	$ 1,077
180	DRG 180 G.I. OBSTRUCTION W CC	1.0702	0.9784	0.0918	9.38%	37.46	34.24	3.21	$ 4,905.42	$ 15,761
181	DRG 181 G.I. OBSTRUCTION W/O CC	0.6400	0.5614	0.0786	14.00%	0.64	0.56	0.08	$ 4,905.42	$ 386
182	DRG 182 ESOPH/GAST/MISC DIG AGE>17 W CC	0.9046	0.8413	0.0633	7.52%	84.13	78.24	5.89	$ 4,905.42	$ 28,878
183	DRG 183 ESOPH/GAST/MISC DIG AGE>17 W/O C	0.6078	0.5848	0.023	3.93%	12.16	11.70	0.46	$ 4,905.42	$ 2,256
185	DRG 185 DENTAL/ORAL EXC EXT/RES AGE >17	0.9381	0.8702	0.0679	7.80%	0.94	0.87	0.07	$ 4,905.42	$ 333
187	DRG 187 DENTAL EXTRACTIONS & RESTORATNS	0.8880	0.8363	0.0517	6.18%	1.78	1.67	0.10	$ 4,905.42	$ 507
188	DRG 188 OTH DIGESTIVE DXS AGE >17 W CC	1.1808	1.129	0.0518	4.59%	53.14	50.81	2.33	$ 4,905.42	$ 11,435
189	DRG 189 OTH DIGESTIVE DXS AGE >17 W/O CC	0.6314	0.6064	0.025	4.12%	1.89	1.82	0.07	$ 4,905.42	$ 368
191	DRG 191 PANC/LIVER/SHUNT PROC W CC	3.9647	3.968	-0.0033	-0.08%	15.86	15.87	(0.01)	$ 4,905.42	$ (65)
192	DRG 192 PANC/LIVER/SHUNT PROC W/O CC	1.7088	1.6793	0.0295	1.76%	1.71	1.68	0.03	$ 4,905.42	$ 145
193	DRG 193 BILIARY EXC CHOLEC W CC	3.4693	3.2818	0.1875	5.71%	6.94	6.56	0.38	$ 4,905.42	$ 1,840
194	DRG 194 BILIARY EXC CHOLEC W/O CC	1.6583	1.5748	0.0835	5.30%	1.66	1.57	0.08	$ 4,905.42	$ 410
195	DRG 195 CHOLEC W/ CDE W CC	3.0330	3.053	-0.02	-0.66%	3.03	3.05	(0.02)	$ 4,905.42	$ (98)
197	DRG 197 CHOLEC EXCP LAPARO W/O CDE W CC	2.6196	2.5425	0.0771	3.03%	15.72	15.26	0.46	$ 4,905.42	$ 2,269
202	DRG 202 CIRRHOSIS & ALCOHOLIC HEPATITIS	1.4205	1.3318	0.0887	6.66%	11.36	10.65	0.71	$ 4,905.42	$ 3,481
203	DRG 203 MALIGN-HEPATOBILIARY OR PANCREAS	1.3745	1.3552	0.0193	1.42%	17.87	17.62	0.25	$ 4,905.42	$ 1,231
204	DRG 204 DISOR-PANCREAS EXCEPT MALIGNANCY	1.1749	1.1249	0.05	4.44%	15.27	14.62	0.65	$ 4,905.42	$ 3,189
205	DRG 205 DISOR-LIV EXC MA/CI/ALC HEP W CC	1.2942	1.2059	0.0883	7.32%	7.77	7.24	0.53	$ 4,905.42	$ 2,599
206	DRG 206 DISOR-LIV EXC MA/CI/ALC HEP W/O	0.7720	0.7292	0.0428	5.87%	0.77	0.73	0.04	$ 4,905.42	$ 210
207	DRG 207 DISOR-BILIARY TRACT W CC	1.2145	1.1746	0.0399	3.40%	12.15	11.75	0.40	$ 4,905.42	$ 1,957
208	DRG 208 DISOR-BILIARY TRACT W/O CC	0.6986	0.6895	0.0091	1.32%	0.70	0.69	0.01	$ 4,905.42	$ 45
210	DRG 210 HIP/FEM EXC MAJ JNT AGE>17 W CC	2.0150	1.9059	0.1091	5.72%	54.41	51.46	2.95	$ 4,905.42	$ 14,450
211	DRG 211 HIP/FEM EXC MAJ JNT AGE>17 W/O C	1.3653	1.269	0.0963	7.59%	6.83	6.35	0.48	$ 4,905.42	$ 2,362
213	DRG 213 AMPUT-MUSCULOSKEL/CONN TISSUE	2.2463	2.0428	0.2035	9.96%	6.74	6.13	0.61	$ 4,905.42	$ 2,995
216	DRG 216 BIOP-MUSCULOSKEL/CONN TISSUE	1.7169	1.9131	-0.1962	-10.26%	3.43	3.83	(0.39)	$ 4,905.42	$ (1,925)
217	DRG 217 WND DEBRID/SKN GRFT EXC HND-MSCN	3.1361	3.0596	0.0765	2.50%	21.95	21.42	0.54	$ 4,905.42	$ 2,627
218	DRG 218 LWR EXTRM/HUM EXC HFF AGE>17 CC	1.7105	1.6648	0.0457	2.75%	10.26	9.99	0.27	$ 4,905.42	$ 1,345
219	DRG 219 LWR EXTRM/HUM EXC HFF AGE>17 W/O	1.1071	1.0443	0.0628	6.01%	4.43	4.18	0.25	$ 4,905.42	$ 1,232
223	DRG 223 MAJ SHOUL/ELB OTHR UP EXTRM W CC	1.1303	1.1164	0.0139	1.25%	1.13	1.12	0.01	$ 4,905.42	$ 68

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DRG WEIGHTING FACTOR ANALYSIS

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DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
224	DRG 224 SHOUL/ELB FARM EXC MAJ JTS W/O C	0.8067	0.8185	-0.0118	-1.44%	0.81	0.82	(0.01)	$ 4,905.42	$ (58)
225	DRG 225 FOOT PROCEDURES	1.3235	1.2251	0.0984	8.03%	3.97	3.68	0.30	$ 4,905.42	$ 1,448
226	DRG 226 SOFT TISSUE PROC W CC	1.6783	1.5884	0.0899	5.66%	3.36	3.18	0.18	$ 4,905.42	$ 882
227	DRG 227 SOFT TISSUE PROC W/O CC	0.8719	0.8311	0.0408	4.91%	3.49	3.32	0.16	$ 4,905.42	$ 801
233	DRG 233 OTH MUSC/CONN TIS W CC	1.8831	1.9184	-0.0353	-1.84%	7.53	7.67	(0.14)	$ 4,905.42	$ (693)
234	DRG 234 OTH MUSC/CONN TIS W/O CC	1.1441	1.2219	-0.0778	-6.37%	1.14	1.22	(0.08)	$ 4,905.42	$ (382)
236	DRG 236 FRACTURES OF HIP & PELVIS	0.8791	0.7407	0.1384	18.69%	3.52	2.96	0.55	$ 4,905.42	$ 2,716
237	DRG 237 SPRNS/STRNS/DISL-HIP/PEL/THIGH	0.7345	0.609	0.1255	20.61%	0.73	0.61	0.13	$ 4,905.42	$ 616
238	DRG 238 OSTEOMYELITIS	1.5466	1.4401	0.1065	7.40%	6.19	5.76	0.43	$ 4,905.42	$ 2,090
239	DRG 239 PATH FRAC/MUSC/CON TIS MALIGNCY	1.2001	1.0767	0.1234	11.46%	10.80	9.69	1.11	$ 4,905.42	$ 5,448
240	DRG 240 CONNECT TIS DISOR W CC	1.4523	1.4051	0.0472	3.36%	15.98	15.46	0.52	$ 4,905.42	$ 2,547
243	DRG 243 MEDICAL BACK PROBLEMS	0.8680	0.7658	0.1022	13.35%	23.44	20.68	2.76	$ 4,905.42	$ 13,536
244	DRG 244 BONE DIS/SPEC ARTH W CC	0.8186	0.72	0.0986	13.69%	9.00	7.92	1.08	$ 4,905.42	$ 5,320
245	DRG 245 BONE DIS/SPEC ARTH W/O CC	0.5581	0.4583	0.0998	21.78%	2.79	2.29	0.50	$ 4,905.42	$ 2,448
246	DRG 246 NON-SPECIFIC ARTHROPATHIES	0.6742	0.5932	0.081	13.65%	0.67	0.59	0.08	$ 4,905.42	$ 397
247	DRG 247 SGNS/SYMP-MUSC/CONN TISSUE	0.6852	0.5795	0.1057	18.24%	2.06	1.74	0.32	$ 4,905.42	$ 1,556
248	DRG 248 TENDONITIS MYOSITIS & BURSITIS	0.9368	0.8554	0.0814	9.52%	9.37	8.55	0.81	$ 4,905.42	$ 3,993
249	DRG 249 AFCARE-MUSCULOSK/CONN TISSUE	0.8157	0.7095	0.1062	14.97%	6.53	5.68	0.85	$ 4,905.42	$ 4,168
250	DRG 250 FX/DISL-FRARM/HND/FT AGE >17 CC	0.7774	0.6974	0.08	11.47%	0.78	0.70	0.08	$ 4,905.42	$ 392
253	DRG 253 FX/DL-UPARM/LWLG EX FT AGE>17 CC	0.9049	0.7747	0.1302	16.81%	5.43	4.65	0.78	$ 4,905.42	$ 3,832
254	DRG 254 FX/DL-UPARM/LWLG EX FT >17 W/O C	0.5741	0.4588	0.1153	25.13%	3.44	2.75	0.69	$ 4,905.42	$ 3,394
256	DRG 256 OTH DXS-MUSC/CONNECTIVE TISSUE	0.9598	0.8509	0.1089	12.80%	1.92	1.70	0.22	$ 4,905.42	$ 1,068
257	DRG 257 TOT MASTEC-MALIGNCY W CC	0.9016	0.8967	0.0049	0.55%	0.90	0.90	0.00	$ 4,905.42	$ 24
258	DRG 258 TOT MASTEC-MALIGNCY W/O CC	0.7045	0.7138	-0.0093	-1.30%	2.11	2.14	(0.03)	$ 4,905.42	$ (137)
263	DRG 263 SKN GRFT-SKN ULC/CEL W CC	2.2702	2.113	0.1572	7.44%	20.43	19.02	1.41	$ 4,905.42	$ 6,940
265	DRG 265 SKN GRFT EXC SKN ULC/CEL W CC	1.6907	1.6593	0.0314	1.89%	5.07	4.98	0.09	$ 4,905.42	$ 462
268	DRG 268 SKIN/SUBCUT TIS/BREAST PLASTIC	1.2352	1.1326	0.1026	9.06%	1.24	1.13	0.10	$ 4,905.42	$ 503
269	DRG 269 OTH SKN/SCUT TIS/BRST W CC	1.8802	1.8352	0.045	2.45%	11.28	11.01	0.27	$ 4,905.42	$ 1,324
270	DRG 270 OTH SKN/SCUT TIS/BRST W/O CC	0.8949	0.8313	0.0636	7.65%	0.89	0.83	0.06	$ 4,905.42	$ 312
271	DRG 271 SKIN ULCERS	1.2353	1.0195	0.2158	21.17%	14.82	12.23	2.59	$ 4,905.42	$ 12,703
272	DRG 272 MAJOR SKIN DISOR W CC	1.1364	0.986	0.1504	15.25%	1.14	0.99	0.15	$ 4,905.42	$ 738
273	DRG 273 MAJOR SKIN DISOR W/O CC	0.6838	0.5539	0.1299	23.45%	1.37	1.11	0.26	$ 4,905.42	$ 1,274
277	DRG 277 CELLULITIS AGE >17 W CC	1.0015	0.8676	0.1339	15.43%	32.05	27.76	4.28	$ 4,905.42	$ 21,019
278	DRG 278 CELLULITIS AGE >17 W/O CC	0.6817	0.5391	0.1426	26.45%	3.41	2.70	0.71	$ 4,905.42	$ 3,498
280	DRG 280 TRMA-SKN/SCT TIS/BRST AGE >17 CC	0.8212	0.7313	0.0899	12.29%	2.46	2.19	0.27	$ 4,905.42	$ 1,323
281	DRG 281 TRMA-SKN/SCT TIS/BRST >17 W/O CC	0.5678	0.4913	0.0765	15.57%	0.57	0.49	0.08	$ 4,905.42	$ 375
283	DRG 283 MINOR SKIN DISOR W CC	0.8525	0.7423	0.1102	14.85%	5.97	5.20	0.77	$ 4,905.42	$ 3,784

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285	DRG 285 AMPUT-ENDOC/NUTR/METAB DISORDERS	2.3169	2.1831	0.1338	6.13%	9.27	8.73	0.54	$ 4,905.42	$ 2,625
286	DRG 286 ADRENAL & PITUITARY PROCEDURES	1.9369	1.939	-0.0021	-0.11%	1.94	1.94	(0.00)	$ 4,905.42	$ (10)
287	DRG 287 SKN GRFT/WND DEBR-ENDOC/NUTR/MET	2.0354	1.947	0.0884	4.54%	2.04	1.95	0.09	$ 4,905.42	$ 434
288	DRG 288 O.R. PROCEDURES FOR OBESITY	1.7332	2.0384	-0.3052	-14.97%	13.87	16.31	(2.44)	$ 4,905.42	$ (11,977)
289	DRG 289 PARATHYROID PROCEDURES	0.8548	0.9315	-0.0767	-8.23%	0.85	0.93	(0.08)	$ 4,905.42	$ (376)
290	DRG 290 THYROID PROCEDURES	0.8454	0.8891	-0.0437	-4.92%	1.69	1.78	(0.09)	$ 4,905.42	$ (429)
292	DRG 292 OTH ENDOC/NUTR/MET PROC W CC	2.6043	2.6395	-0.0352	-1.33%	13.02	13.20	(0.18)	$ 4,905.42	$ (863)
294	DRG 294 DIABETES AGE >35	0.8642	0.7652	0.099	12.94%	26.79	23.72	3.07	$ 4,905.42	$ 15,055
295	DRG 295 DIABETES AGE 0-35	0.9301	0.7267	0.2034	27.99%	1.86	1.45	0.41	$ 4,905.42	$ 1,996
296	DRG 296 NUTR/MISC METAB AGE >17 W CC	0.9041	0.8187	0.0854	10.43%	49.73	45.03	4.70	$ 4,905.42	$ 23,041
297	DRG 297 NUTR/MISC METAB AGE >17 W/O CC	0.5589	0.4879	0.071	14.55%	3.35	2.93	0.43	$ 4,905.42	$ 2,090
299	DRG 299 INBORN ERRORS OF METABOLISM	1.1353	1.0329	0.1024	9.91%	1.14	1.03	0.10	$ 4,905.42	$ 502
300	DRG 300 ENDOCRINE DISOR W CC	1.1666	1.0922	0.0744	6.81%	7.00	6.55	0.45	$ 4,905.42	$ 2,190
303	DRG 303 KID/URE/MAJ BLDR-NEOPLASM	2.3084	2.2183	0.0901	4.06%	16.16	15.53	0.63	$ 4,905.42	$ 3,094
304	DRG 304 KID/URE/MAJ BLDR-NONNL W CC	2.3631	2.3761	-0.013	-0.55%	4.73	4.75	(0.03)	$ 4,905.42	$ (128)
306	DRG 306 PROSTATECTOMY W CC	1.3307	1.27	0.0607	4.78%	3.99	3.81	0.18	$ 4,905.42	$ 893
308	DRG 308 MINOR BLADDER PROC W CC	1.7066	1.6349	0.0717	4.39%	1.71	1.63	0.07	$ 4,905.42	$ 352
310	DRG 310 TRANSURETHRAL PROC W CC	1.1913	1.1898	0.0015	0.13%	4.77	4.76	0.01	$ 4,905.42	$ 29
312	DRG 312 URETHRAL PROC AGE >17 W CC	1.1947	1.1159	0.0788	7.06%	1.19	1.12	0.08	$ 4,905.42	$ 387
315	DRG 315 OTHER KIDNEY/URINARY TRACT PROC	1.9482	2.0823	-0.1341	-6.44%	29.22	31.23	(2.01)	$ 4,905.42	$ (9,867)
316	DRG 316 RENAL FAILURE	1.3481	1.2692	0.0789	6.22%	107.85	101.54	6.31	$ 4,905.42	$ 30,963
317	DRG 317 ADMIT FOR RENAL DIALYSIS	0.8454	0.7942	0.0512	6.45%	1.69	1.59	0.10	$ 4,905.42	$ 502
318	DRG 318 KID/URINARY NEOPLASMS W CC	1.2571	1.1539	0.1032	8.94%	1.26	1.15	0.10	$ 4,905.42	$ 506
320	DRG 320 KID/URINARY INFECT AGE>17 W CC	0.9538	0.8658	0.088	10.16%	64.86	58.87	5.98	$ 4,905.42	$ 29,354
321	DRG 321 KID/URINARY INFECT AGE>17 W/O CC	0.6512	0.5652	0.086	15.22%	5.21	4.52	0.69	$ 4,905.42	$ 3,375
323	DRG 323 URIN STONES W CC &/OR ESW LITH	0.8239	0.8214	0.0025	0.30%	2.47	2.46	0.01	$ 4,905.42	$ 37
328	DRG 328 URETHRAL STRICTURE AGE>17 W CC	0.7346	0.7079	0.0267	3.77%	1.47	1.42	0.05	$ 4,905.42	$ 262
331	DRG 331 OTH KID/URINARY DXS AGE>17 W CC	1.1580	1.0619	0.0961	9.05%	8.11	7.43	0.67	$ 4,905.42	$ 3,300
332	DRG 332 OTH KID/URINARY DXS AGE>17 W/O C	0.6602	0.616	0.0442	7.18%	0.66	0.62	0.04	$ 4,905.42	$ 217
334	DRG 334 MAJOR MALE PELVIC PROC W CC	1.4154	1.4368	-0.0214	-1.49%	1.42	1.44	(0.02)	$ 4,905.42	$ (105)
335	DRG 335 MAJOR MALE PELVIC PROC W/O CC	1.0701	1.1004	-0.0303	-2.75%	1.07	1.10	(0.03)	$ 4,905.42	$ (149)
336	DRG 336 TRANSURETH PROSTATEC W CC	0.8824	0.8425	0.0399	4.74%	3.53	3.37	0.16	$ 4,905.42	$ 783
338	DRG 338 TESTES PROC MALIG	1.4072	1.3772	0.03	2.18%	1.41	1.38	0.03	$ 4,905.42	$ 147
341	DRG 341 PENIS PROCEDURES	1.2527	1.2622	-0.0095	-0.75%	1.25	1.26	(0.01)	$ 4,905.42	$ (47)
350	DRG 350 INFLAMMATION OF THE MALE REPRO	0.8552	0.7289	0.1263	17.33%	1.71	1.46	0.25	$ 4,905.42	$ 1,239

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on WPH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
353	DRG 353 PELV EVISC/RAD HYST/VULVECTOMY	1.7446	1.8504	-0.1058	-5.72%	5.23	5.55	(0.32)	$ 4,905.42	$ (1,557)
354	DRG 354 UTER/ADN PRC NON-OV/ADN MALI W C	1.5594	1.5135	0.0459	3.03%	6.24	6.05	0.18	$ 4,905.42	$ 901
355	DRG 355 UTER/ADN PRC NON-OV/ADN MALI W/O	0.9349	0.8824	0.0525	5.95%	4.67	4.41	0.26	$ 4,905.42	$ 1,288
356	DRG 356 FEMALE REPRO RECONST PROC	0.7426	0.7428	-0.0002	-0.03%	8.17	8.17	(0.00)	$ 4,905.42	$ (11)
357	DRG 357 UTER&ADNXA PROC OVAR/ADNXL MALIG	2.2785	2.2237	0.0548	2.46%	20.51	20.01	0.49	$ 4,905.42	$ 2,419
358	DRG 358 UTER & ADNXA PROC NON-MAL W CC	1.1816	1.1448	0.0368	3.21%	8.27	8.01	0.26	$ 4,905.42	$ 1,264
359	DRG 359 UTER & ADNXA PROC NON-MAL W/O CC	0.8258	0.7948	0.031	3.90%	4.13	3.97	0.16	$ 4,905.42	$ 760
360	DRG 360 VAGINA/CERVIX/VULVA PROC	0.8803	0.8582	0.0221	2.58%	4.40	4.29	0.11	$ 4,905.42	$ 542
365	DRG 365 OTH FEMALE REPRO O.R. PROCEDURES	2.0803	2.0408	0.0395	1.94%	2.08	2.04	0.04	$ 4,905.42	$ 194
368	DRG 368 INFECTIONS FEMALE REPRO SYS	1.2262	1.1684	0.0578	4.95%	6.13	5.84	0.29	$ 4,905.42	$ 1,418
369	DRG 369 MENSTRUAL/OTH FEMALE REPRO DISOR	0.6696	0.631	0.0386	6.12%	2.68	2.52	0.15	$ 4,905.42	$ 757
371	DRG 371 CESAREAN SECTION W/O CC	0.7664	0.6066	0.1598	26.34%	0.77	0.61	0.16	$ 4,905.42	$ 784
372	DRG 372 VAGINAL DELIVERY W COM DXS	0.7390	0.5027	0.2363	47.01%	0.74	0.50	0.24	$ 4,905.42	$ 1,159
392	DRG 392 SPLENECTOMY AGE >17	3.1188	3.0459	0.0729	2.39%	3.12	3.05	0.07	$ 4,905.42	$ 358
394	DRG 394 OTH O.R. PRC BLOOD/BLOOD ORGANS	1.8725	1.9109	-0.0384	-2.01%	3.75	3.82	(0.08)	$ 4,905.42	$ (377)
395	DRG 395 RED BLOOD CELL DISOR AGE >17	0.9413	0.8328	0.1085	13.03%	29.18	25.82	3.36	$ 4,905.42	$ 16,499
397	DRG 397 COAGULATION DISORDERS	1.3611	1.2986	0.0625	4.81%	21.78	20.78	1.00	$ 4,905.42	$ 4,905
398	DRG 398 RETICUL/IMMUNITY W CC	1.2912	1.2082	0.083	6.87%	23.24	21.75	1.49	$ 4,905.42	$ 7,329
401	DRG 401 LYMPH&NON-ACUT LEUK W OTH PRC CC	2.8703	2.9678	-0.0975	-3.29%	8.61	8.90	(0.29)	$ 4,905.42	$ (1,435)
403	DRG 403 LYMPH&NON-ACUT LEUKEMIA W CC	1.8986	1.8432	0.0554	3.01%	30.38	29.49	0.89	$ 4,905.42	$ 4,348
404	DRG 404 LYMPH&NON-ACUT LEUKEMIA W/O CC	0.9137	0.9265	-0.0128	-1.38%	2.74	2.78	(0.04)	$ 4,905.42	$ (188)
410	DRG 410 CHEMOTHERAPY W/O ACUTE LEUKEMIA	1.0178	1.1069	-0.0891	-8.05%	17.30	18.82	(1.51)	$ 4,905.42	$ (7,430)
415	DRG 415 O.R. PROC-INFECT/PARAS DISEASES	4.1393	3.989	0.1503	3.77%	74.51	71.80	2.71	$ 4,905.42	$ 13,271
416	DRG 416 SEPTICEMIA AGE >17	1.8340	1.6774	0.1566	9.34%	159.56	145.93	13.62	$ 4,905.42	$ 66,832
418	DRG 418 POSTOPERATIVE/TRAUMATIC INFECTNS	1.1938	1.0716	0.1222	11.40%	14.33	12.86	1.47	$ 4,905.42	$ 7,193
419	DRG 419 FEVER OF UNK ORIG AGE >17 W CC	0.8951	0.8453	0.0498	5.89%	5.37	5.07	0.30	$ 4,905.42	$ 1,466
421	DRG 421 VIRAL ILLNESS AGE >17	0.8210	0.7664	0.0546	7.12%	0.82	0.77	0.05	$ 4,905.42	$ 268
423	DRG 423 OTH INFECT/PARAS DISEASES DXS	1.9053	1.9196	-0.0143	-0.74%	1.91	1.92	(0.01)	$ 4,905.42	$ (70)
425	DRG 425 AC ADJ REACT/DIST-PSY DYSFUNCTN	0.7075	0.6191	0.0884	14.28%	1.42	1.24	0.18	$ 4,905.42	$ 867
426	DRG 426 DEPRESSIVE NEUROSES	0.7464	0.4656	0.2808	60.31%	0.75	0.47	0.28	$ 4,905.42	$ 1,377
429	DRG 429 ORGANIC DISTURBS/MENTAL RETRDTN	0.9614	0.7919	0.1695	21.40%	14.42	11.88	2.54	$ 4,905.42	$ 12,472
430	DRG 430 PSYCHOSES	1.2316	0.6483	0.5833	89.97%	1.23	0.65	0.58	$ 4,905.42	$ 2,861
433	DRG 433 ALC/DRUG ABUSE/DEPEN LEFT AMA	0.4017	0.2776	0.1241	44.70%	0.40	0.28	0.12	$ 4,905.42	$ 609

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on WPH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
439	DRG 439 SKIN GRAFTS FOR INJURIES	2.0857	1.9398	0.1459	7.52%	2.09	1.94	0.15	$ 4,905.42	$ 716
440	DRG 440 WOUND DEBRIDEMENTS FOR INJURIES	2.0128	1.9457	0.0671	3.45%	6.04	5.84	0.20	$ 4,905.42	$ 987
442	DRG 442 OTH O.R. PROC-INJURIES W CC	2.6213	2.566	0.0553	2.16%	10.49	10.26	0.22	$ 4,905.42	$ 1,085
443	DRG 443 OTH O.R. PROC-INJURIES W/O CC	1.0919	0.9943	0.0976	9.82%	1.09	0.99	0.10	$ 4,905.42	$ 479
444	DRG 444 TRAUMATIC INJURY AGE >17 W CC	0.8329	0.7556	0.0773	10.23%	0.83	0.76	0.08	$ 4,905.42	$ 379
447	DRG 447 ALLERGIC REACTIONS AGE >17	0.6470	0.5569	0.0901	16.18%	3.88	3.34	0.54	$ 4,905.42	$ 2,652
449	DRG 449 POIS/TOXIC EFF-DRUGS AGE>17 W CC	0.9882	0.8529	0.1353	15.86%	7.91	6.82	1.08	$ 4,905.42	$ 5,310
450	DRG 450 POIS/TOXIC EFF-DRUGS AGE>17 W/O	0.5741	0.4282	0.1459	34.07%	0.57	0.43	0.15	$ 4,905.42	$ 716
452	DRG 452 COMPL OF TREATMENT W CC	1.1377	1.0462	0.0915	8.75%	7.96	7.32	0.64	$ 4,905.42	$ 3,142
453	DRG 453 COMPL OF TREATMENT W/O CC	0.5867	0.5285	0.0582	11.01%	0.59	0.53	0.06	$ 4,905.42	$ 285
454	DRG 454 OTH INJ/TOXIC EFF DX W CC	0.9136	0.8141	0.0995	12.22%	0.91	0.81	0.10	$ 4,905.42	$ 488
461	DRG 461 PROC W DXS-OTH CONT W HLTH SERVS	1.5386	1.3974	0.1412	10.10%	3.08	2.79	0.28	$ 4,905.42	$ 1,385
463	DRG 463 SIGNS & SYMPTOMS W CC	0.7661	0.696	0.0701	10.07%	12.26	11.14	1.12	$ 4,905.42	$ 5,502
464	DRG 464 SIGNS & SYMPTOMS W/O CC	0.5663	0.5055	0.0608	12.03%	1.13	1.01	0.12	$ 4,905.42	$ 596
465	DRG 465 AFCARE W HIST-MALIG AS SEC DX	0.6205	0.6224	-0.0019	-0.31%	0.62	0.62	(0.00)	$ 4,905.42	$ (9)
467	DRG 467 OTH FACTORS INFLU HEALTH STATUS	0.5408	0.4803	0.0605	12.60%	1.62	1.44	0.18	$ 4,905.42	$ 890
468	DRG 468 EXT O.R. PROC UNREL TO PRINC DX	3.8122	4.0031	-0.1909	-4.77%	137.24	144.11	(6.87)	$ 4,905.42	$ (33,712)
473	DRG 473 ACUTE LEUK W/O MAJ PROC AGE >17	3.4703	3.4231	0.0472	1.38%	20.82	20.54	0.28	$ 4,905.42	$ 1,389
475	DRG 475 RESP SYS DX W/VENTILATOR SUP	3.8279	3.6091	0.2188	6.06%	195.22	184.06	11.16	$ 4,905.42	$ 54,739
476	DRG 476 PROST O.R. PROC UNREL TO PRIN DX	2.1079	2.1822	-0.0743	-3.40%	12.65	13.09	(0.45)	$ 4,905.42	$ (2,187)
477	DRG 477 NON-EXT OR PROC UNREL TO PRIN DX	2.0694	2.0607	0.0087	0.42%	24.83	24.73	0.10	$ 4,905.42	$ 512
479	DRG 479 OTHER VASCULAR PROC W/O CC	1.2715	1.4434	-0.1719	-11.91%	13.99	15.88	(1.89)	$ 4,905.42	$ (9,276)
481	DRG 481 BONE MARROW TRANSPLANT	7.1983	6.2321	0.9662	15.50%	28.79	24.93	3.86	$ 4,878.13	$ 18,853
489	DRG 489 HIV W MAJOR REL CONDITION	1.7760	1.8058	-0.0298	-1.65%	5.33	5.42	(0.09)	$ 4,878.13	$ (436)
490	DRG 490 HIV W OR W/O OTH REL COND	1.0808	1.0639	0.0169	1.59%	1.08	1.06	0.02	$ 4,878.13	$ 82
491	DRG 491 MAJ JOINT & LIMB REATTACH-UP EXT	1.5997	1.678	-0.0783	-4.67%	8.00	8.39	(0.39)	$ 4,878.13	$ (1,910)
492	DRG 492 CHEMOTHERAPY W ACUTE LEUKEMIA	3.6663	3.5926	0.0737	2.05%	47.66	46.70	0.96	$ 4,878.13	$ 4,674
493	DRG 493 LAPARO CHOLEC W/O C.D.E. W CC	1.7812	1.8333	-0.0521	-2.84%	21.37	22.00	(0.63)	$ 4,878.13	$ (3,050)
494	DRG 494 LAPARO CHOLEC W/O C.D.E. W/O CC	0.9795	1.0285	-0.049	-4.76%	1.96	2.06	(0.10)	$ 4,878.13	$ (478)
497	DRG 497 SPINAL FUSION W CC	3.3300	3.6224	-0.2924	-8.07%	46.62	50.71	(4.09)	$ 4,878.13	$ (19,969)
498	DRG 498 SPINAL FUSION W/O CC	2.5267	2.7791	-0.2524	-9.08%	22.74	25.01	(2.27)	$ 4,878.13	$ (11,081)
499	DRG 499 BACK-NECK PROC EX SPNL FUSN W CC	1.3408	1.3831	-0.0423	-3.06%	24.13	24.90	(0.76)	$ 4,878.13	$ (3,714)
500	DRG 500 BACK-NECK PROC EX SPNL FUSN W/O	0.8707	0.9046	-0.0339	-3.75%	17.41	18.09	(0.68)	$ 4,878.13	$ (3,307)
504	DRG 504 EXT BURN / F/T BRN W/MV W SKN GR	13.2723	11.8018	1.4705	12.46%	13.27	11.80	1.47	$ 4,878.13	$ 7,173

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on WPH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
506	DRG 506 F/T BRN W GFT/INH INJ W CC /TRAU	4.7246	4.0939	0.6307	15.41%	9.45	8.19	1.26	$ 4,878.13	$ 6,153
507	DRG 507 F/T BRN W GFT/INH INJ W/O CC /TR	2.2603	1.7369	0.5234	30.13%	4.52	3.47	1.05	$ 4,878.13	$ 5,106
508	DRG 508 F/T BRN W/O GFT/INH INJ W CC /TR	1.6171	1.2767	0.3404	26.66%	1.62	1.28	0.34	$ 4,878.13	$ 1,661
510	DRG 510 NON-EXT BURN W CC OR SIG TR	1.4467	1.1817	0.265	22.43%	2.89	2.36	0.53	$ 4,878.13	$ 2,585
515	DRG 515 CARDIAC DEFIB IMPL W/O CATH	4.1471	5.5205	-1.3734	-24.88%	597.18	794.95	(197.77)	$ 4,878.13	$ (964,746)
518	DRG 518 PERC CARD W/O COR ART STNT OR AM	1.1424	1.6544	-0.512	-30.95%	37.70	54.60	(16.90)	$ 4,878.13	$ (82,421)
519	DRG 519 CERVICAL SPINAL FUSION W CC	2.2859	2.4695	-0.1836	-7.43%	25.14	27.16	(2.02)	$ 4,878.13	$ (9,852)
520	DRG 520 CERVICAL SPINAL FUSION W/O CC	1.4721	1.6788	-0.2067	-12.31%	7.36	8.39	(1.03)	$ 4,878.13	$ (5,042)
521	DRG 521 ALC/DRUG ABUSE/DEPEND W CC	0.9157	0.6939	0.2218	31.96%	9.16	6.94	2.22	$ 4,878.13	$ 10,820
523	DRG 523 ALC/DRUG AB/DEPND W/O REH W/O CC	0.5474	0.3793	0.1681	44.32%	0.55	0.38	0.17	$ 4,878.13	$ 820
524	DRG 524 TRANSIENT ISCHEMIA	0.6913	0.7288	-0.0375	-5.15%	19.36	20.41	(1.05)	$ 4,878.13	$ (5,122)
528	DRG 528 INTRACRAN VASC PRC W PDX HEMOR	7.3829	7.0505	0.3324	4.71%	7.38	7.05	0.33	$ 4,878.13	$ 1,621
529	DRG 529 VENTRICULAR SHUNT PROCS W CC	2.2423	2.316	-0.0737	-3.18%	11.21	11.58	(0.37)	$ 4,878.13	$ (1,798)
530	DRG 530 VENTRICULAR SHUNT PROCS W/O CC	1.1697	1.2041	-0.0344	-2.86%	3.51	3.61	(0.10)	$ 4,878.13	$ (503)
531	DRG 531 SPINAL PROCEDURES W CC	3.0552	3.1279	-0.0727	-2.32%	9.17	9.38	(0.22)	$ 4,878.13	$ (1,064)
533	DRG 533 EXTRACRANIAL PROCEDURES W CC	1.4911	1.5767	-0.0856	-5.43%	19.38	20.50	(1.11)	$ 4,878.13	$ (5,428)
534	DRG 534 EXTRACRANIAL PROCEDURES W/O CC	0.9668	1.0201	-0.0533	-5.22%	9.67	10.20	(0.53)	$ 4,878.13	$ (2,600)
535	DRG 535 CARD DEF IMP W CAT W AMI/HF/SHK	5.8951	7.9738	-2.0787	-26.07%	117.90	159.48	(41.57)	$ 4,878.13	$ (202,803)
536	DRG 536 CARD DEF IMP W CAT W/O AMI/HF/SK	5.2199	6.9144	-1.6945	-24.51%	73.08	96.80	(23.72)	$ 4,878.13	$ (115,724)
537	DRG 537 REM FIX DEV EXC HIP/FEM W CC	1.8568	1.836	0.0208	1.13%	3.71	3.67	0.04	$ 4,878.13	$ 203
538	DRG 538 REM FIX DEV EXC HIP/FEM W/O CC	1.0223	0.9833	0.039	3.97%	2.04	1.97	0.08	$ 4,878.13	$ 380
539	DRG 539 LYMPH & LEUK W MAJ OR PRC W CC	3.1235	3.2782	-0.1547	-4.72%	12.49	13.11	(0.62)	$ 4,878.13	$ (3,019)
540	DRG 540 LYMPH & LEUK W MAJ OR PRC W/O CC	1.1837	1.194	-0.0103	-0.86%	1.18	1.19	(0.01)	$ 4,878.13	$ (50)
541	DRG 541 TRA W MV 96+ / PDX EX F/M/N W OR	19.9990	19.8038	0.1952	0.99%	459.98	455.49	4.49	$ 4,878.13	$ 21,901
542	DRG 542 TRA W MV 96+ / PDX EX F/N W/O OR	12.5966	12.8719	-0.2753	-2.14%	201.55	205.95	(4.40)	$ 4,878.13	$ (21,487)
543	DRG 543 CRANIO W IMPL CHEM / ACU CPX CNS	4.6474	4.4184	0.229	5.18%	9.29	8.84	0.46	$ 4,878.13	$ 2,234
544	DRG 544 MAJ JOINT REPLAC/REATTACH-LOW EX	1.8941	1.9643	-0.0702	-3.57%	439.43	455.72	(16.29)	$ 4,878.13	$ (79,447)
545	DRG 545 REVISION - HIP/KNEE REPLACEMENT	2.4127	2.4827	-0.07	-2.82%	33.78	34.76	(0.98)	$ 4,878.13	$ (4,781)
547	DRG 547 CORO BYP W CAR CATH W MAJ CV DX	5.6862	6.1948	-0.5086	-8.21%	187.64	204.43	(16.78)	$ 4,878.13	$ (81,874)
548	DRG 548 COR BYP W CAR CATH W/O MAJ CV DX	4.1762	4.7198	-0.5436	-11.52%	171.22	193.51	(22.29)	$ 4,878.13	$ (108,722)

CMS PROPOSED FY 2007 IPPS UPDATE--Impact on WPH

DRG WEIGHTING FACTOR ANALYSIS

ATTACHMENT B

DRG	Description	Proposed FY 2007 Weight	Current FY 2006 Weight	Difference	% Difference	Proposed FY 2007 Gross Weights	Current FY 2006 Gross Weights	Gross Difference	Base Rates Plus Capital	Revenue Impact
549	DRG 549 COR BYP W/O CAR CATH W MAJ CV DX	4.8829	5.098	-0.2151	-4.22%	68.36	71.37	(3.01)	$ 4,878.13	$ (14,690)
550	DRG 550 COR BY W/O CAR CAT W/O MAJ CV DX	3.4598	3.6151	-0.1553	-4.30%	79.58	83.15	(3.57)	$ 4,878.13	$ (17,424)
551	DRG 551 PERM CAR PACE IMP W MAJ CV DX	2.6339	3.1007	-0.4668	-15.05%	100.09	117.83	(17.74)	$ 4,878.13	$ (86,530)
552	DRG 552 OTH PER CAR PAC IMP W/O MA CV DX	1.7670	2.0996	-0.3326	-15.84%	74.21	88.18	(13.97)	$ 4,878.13	$ (68,144)
553	DRG 553 OTH VAS PRC W CC W MAJ CV DX	2.8371	3.0957	-0.2586	-8.35%	62.42	68.11	(5.69)	$ 4,878.13	$ (27,753)
554	DRG 554 OTH VAS PRC W CC W/O MAJ CV DX	1.9483	2.0721	-0.1238	-5.97%	93.52	99.46	(5.94)	$ 4,878.13	$ (28,988)
555	DRG 555 PERCU CARDIOVAS PRC W MAJ CV DX	1.8654	2.4315	-0.5661	-23.28%	44.77	58.36	(13.59)	$ 4,878.13	$ (66,276)
556	DRG 556 PER CAR PRC W NON STE W/O MAJ CV	1.2241	1.9132	-0.6891	-36.02%	9.79	15.31	(5.51)	$ 4,878.13	$ (26,892)
557	DRG 557 PER CAR PRC W D-E STE W MA CV DX	2.1323	2.8717	-0.7394	-25.75%	147.13	198.15	(51.02)	$ 4,878.13	$ (248,875)
558	DRG 558 PER CAR PRC W STEN W/O MAJ CV DX	1.4299	2.2108	-0.7809	-35.32%	147.28	227.71	(80.43)	$ 4,878.13	$ (392,361)
559	DRG 559 ACUTE ISCHEMIC STR W THROM AGENT	2.2370	2.2473	-0.0103	-0.46%	4.47	4.49	(0.02)	$ 4,878.13	$ (100)
	TOTAL	1.93	2.03	-0.104405	-5.14%	8,498.55	8,958.77	(460.22)		(2,242,831)

Allegheny General Hospital

Projected Case Mix Changes

Current vs. CMS-Proposed 2007 Hospital Specific Relative Value Cost Center (HSRVcc) Weights and Proposed 2008 Consolidated Severity Adjusted DRGs

Total FFY 2004 Medicare Discharges			7,180
Case Mix Index		2004	2.0672
		2005	2.0656
		2006	2.0600
		2007	1.9731
		2008	2.0018
Change in Case Mix Due To:			
	HSRVcc Weighting	2006-2007	-4.2%
	Consolidated Severity-Adjusted DRGs	2007-2008	1.5%
	Combined	**2006-2008**	**-2.8%**
Impacts After Estimated Budget Neutrality Adjustment*:			
	Consolidated Severity-Adjusted DRGs	2007-2008	2.2%
	Combined	**2006-2008**	**-2.1%**

Source: CMS 2004 MedPAR Inpatient Claims Data File

Notes: This analysis utilizes the 2004 inpatient claims files and DRG assignments as provided by CMS.

There may be slight variations between the 2006-2007 case-mix indexes shown here and those provided in prior analyses due to differences in the 2004 vs. 2005 claims data.

This analysis is based upon proposed 2007 and 2008 DRG groupings and weights; actual, final values may differ.

* CMS has indicated that the implementation of the Consolidated Severity-Adjusted DRGs will be budget neutral. The 2008 DRG weights published by CMS, however, have not been normalized (budget neutrality adjusted). A positive adjustment of 0.7% was applied to the estimated 2008 case mix to reflect this anticipated budget neutrality adjustment.

ATTACHMENT C

Alle-Kiski Medical Center

Projected Case Mix Changes

Current vs. CMS-Proposed 2007 Hospital Specific Relative Value Cost Center (HSRVcc) Weights and Proposed 2008 Consolidated Severity Adjusted DRGs

Total FFY 2004 Medicare Discharges			5,638
Case Mix Index		2004	1.1808
		2005	1.1830
		2006	1.1847
		2007	1.2329
		2008	1.2026
Change in Case Mix Due To:			
	HSRVcc Weighting	2006-2007	4.1%
	Consolidated Severity-Adjusted DRGs	2007-2008	-2.5%
	Combined	**2006-2008**	**1.5%**
Impacts After Estimated Budget Neutrality Adjustment*:			
	Consolidated Severity-Adjusted DRGs	2007-2008	-1.8%
	Combined	**2006-2008**	**2.2%**

Source: CMS 2004 MedPAR Inpatient Claims Data File

Notes: This analysis utilizes the 2004 inpatient claims files and DRG assignments as provided by CMS.

There may be slight variations between the 2006-2007 case-mix indexes shown here and those provided in prior analyses due to differences in the 2004 vs. 2005 claims data.

This analysis is based upon proposed 2007 and 2008 DRG groupings and weights; actual, final values may differ.

* CMS has indicated that the implementation of the Consolidated Severity-Adjusted DRGs will be budget neutral. The 2008 DRG weights published by CMS, however, have not been normalized (budget neutrality adjusted). A positive adjustment of 0.7% was applied to the estimated 2008 case mix to reflect this anticipated budget neutrality adjustment.

ATTACHMENT C

Canonsburg General Hospital

Projected Case Mix Changes

Current vs. CMS-Proposed 2007 Hospital Specific Relative Value Cost Center (HSRVcc) Weights and Proposed 2008 Consolidated Severity Adjusted DRGs

Total FFY 2004 Medicare Discharges			2,270
Case Mix Index		2004	1.1894
		2005	1.1838
		2006	1.1845
		2007	1.2376
		2008	1.2058
Change in Case Mix Due To:			
	HSRVcc Weighting	2006-2007	4.5%
	Consolidated Severity-Adjusted DRGs	2007-2008	-2.6%
	Combined	**2006-2008**	**1.8%**
Impacts After Estimated Budget Neutrality Adjustment*:			
	Consolidated Severity-Adjusted DRGs	2007-2008	-1.9%
	Combined	**2006-2008**	**2.5%**

Source: CMS 2004 MedPAR Inpatient Claims Data File

Notes: This analysis utilizes the 2004 inpatient claims files and DRG assignments as provided by CMS.

There may be slight variations between the 2006-2007 case-mix indexes shown here and those provided in prior analyses due to differences in the 2004 vs. 2005 claims data.

This analysis is based upon proposed 2007 and 2008 DRG groupings and weights; actual, final values may differ.

* CMS has indicated that the implementation of the Consolidated Severity-Adjusted DRGs will be budget neutral. The 2008 DRG weights published by CMS, however, have not been normalized (budget neutrality adjusted). A positive adjustment of 0.7% was applied to the estimated 2008 case mix to reflect this anticipated budget neutrality adjustment.

ATTACHMENT C

Forbes Regional Hospital

Projected Case Mix Changes

Current vs. CMS-Proposed 2007 Hospital Specific Relative Value Cost Center (HSRVcc) Weights and Proposed 2008 Consolidated Severity Adjusted DRGs

Total FFY 2004 Medicare Discharges			4,617
Case Mix Index		2004	1.1960
		2005	1.1962
		2006	1.1969
		2007	1.2445
		2008	1.2397
Change in Case Mix Due To:			
	HSRVcc Weighting	2006-2007	4.0%
	Consolidated Severity-Adjusted DRGs	2007-2008	-0.4%
	Combined	**2006-2008**	**3.6%**
Impacts After Estimated Budget Neutrality Adjustment*:			
	Consolidated Severity-Adjusted DRGs	2007-2008	0.3%
	Combined	**2006-2008**	**4.3%**

Source: CMS 2004 MedPAR Inpatient Claims Data File

Notes: This analysis utilizes the 2004 inpatient claims files and DRG assignments as provided by CMS.

There may be slight variations between the 2006-2007 case-mix indexes shown here and those provided in prior analyses due to differences in the 2004 vs. 2005 claims data.

This analysis is based upon proposed 2007 and 2008 DRG groupings and weights; actual, final values may differ.

* CMS has indicated that the implementation of the Consolidated Severity-Adjusted DRGs will be budget neutral. The 2008 DRG weights published by CMS, however, have not been normalized (budget neutrality adjusted). A positive adjustment of 0.7% was applied to the estimated 2008 case mix to reflect this anticipated budget neutrality adjustment.

ATTACHMENT C

Western Pennsylvania Hospital

Projected Case Mix Changes

Current vs. CMS-Proposed 2007 Hospital Specific Relative Value Cost Center (HSRVcc) Weights and Proposed 2008 Consolidated Severity Adjusted DRGs

Total FFY 2004 Medicare Discharges			6,091
Case Mix Index		2004	1.8319
		2005	1.8243
		2006	1.8183
		2007	1.7502
		2008	1.6912
Change in Case Mix Due To:			
	HSRVcc Weighting	2006-2007	-3.7%
	Consolidated Severity-Adjusted DRGs	2007-2008	-3.4%
	Combined	**2006-2008**	**-7.0%**
Impacts After Estimated Budget Neutrality Adjustment*:			
	Consolidated Severity-Adjusted DRGs	2007-2008	-2.7%
	Combined	**2006-2008**	**-6.3%**

Source: CMS 2004 MedPAR Inpatient Claims Data File

Notes: This analysis utilizes the 2004 inpatient claims files and DRG assignments as provided by CMS.

There may be slight variations between the 2006-2007 case-mix indexes shown here and those provided in prior analyses due to differences in the 2004 vs. 2005 claims data.

This analysis is based upon proposed 2007 and 2008 DRG groupings and weights; actual, final values may differ.

* CMS has indicated that the implementation of the Consolidated Severity-Adjusted DRGs will be budget neutral. The 2008 DRG weights published by CMS, however, have not been normalized (budget neutrality adjusted). A positive adjustment of 0.7% was applied to the estimated 2008 case mix to reflect this anticipated budget neutrality adjustment.

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Ochsner
CLINIC FOUNDATION
DEPARTMENT OF SURGERY

THORACIC-CARDIOVASCULAR DIVISION

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June 7, 2006

Centers for Medicare and Medicaid Services
Marc Hartstein
7500 Security Blvd.
Mail-Stop C4-08-06
Baltimore, MD 21244-1850

Dear Mr. Hartstein,

It is our understanding that CMS has posted the Hospital Inpatient Proposed Payment System Rule for 2007 and are seeking comment. We appreciate CMS asking for input in this important rule which also proposed in 2008 to adopt a consolidated severity DRG system in FY2008. To provide you some background, Ochsner Clinic Foundation has consistently ranked among the nation's high volume heart transplant centers, performing in excess of 30 transplants per year. Many of our transplant patients are referred from throughout Louisiana and the Gulf Coast region where Ochsner has maintained the most stable and active transplantation and ventricular assistance programs for nearly 20 years.

In review of the HIPPS Rule for 2007, it was proposed that a Consolidated Severity Adjusted DRG system be potentially implemented prior to 2008. We would encourage CMS to carefully consider the impact of CSA DRGs on new and life saving technologies such as Implanted Ventricular Assist Devices used to bridge a patient to heart transplant or to maintain long term support until the patient's end of life. This type of Destination Therapy patient does not have many medical alternatives as was reported in the REMATCH study. Ochsner participated as one of the clinical trial sites and found patients implanted with a long-term pump had not only a significantly higher survival rate than those treated with medical management, but a greatly enhanced quality of life.

That being said, the new CSA DRG for VADs as reported would greatly reduce payment seriously jeopardizing the sustainability of our VAD programs. It appears the CSA DRG payment would be a little more than half of VADs current rates pain under DRGs 103 and 525. This oversight is due to the fact that the development of the APR-DRG system by 3M took place before, and was not able to account for, FY04 changes implemented by CMS whereby cases including ICD-9-CM procedure code 37.66 were assigned to a pre MDC and mapped to DRG 103. (Table 1)

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Table 1 Impact of CSA DRGs on VADs as proposed in 2008

CSA-DRG	Descriptor	N	Average LOS	Average Charges
204	CARDIOTHORACIC PROCEDURES SOI 4	21,158	18.30	$182,309
207	CARDIAC DEFIBRILLATOR & HEART ASSIST IMPLANT SOI 1	5,543	2.20	$86,365
208	CARDIAC DEFIBRILLATOR & HEART ASSIST IMPLANT SOI 2	22,400	3.70	$97,810
209	CARDIAC DEFIBRILLATOR & HEART ASSIST IMPLANT SOI 3	25,923	6.60	$118,694

If CMS plans to adopt the CSA DRG system ICD-9 37.66 cases should be assigned to DRGs 4, 5, and 6 instead of 204, 207, 208, and 209, which would be consistent with average charges and treatment of 37.66 cases since the FY04 Final Rule. (Table 2)

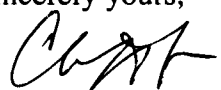
Table 2 Recommended CSA cross walk for VADs

CSA-DRG	Descriptor	N	Average LOS	Average Charge
4	HEART &/OR LUNG TRANSPLANT SOI 1 & 2	261	12.80	$200,583
5	HEART &/OR LUNG TRANSPLANT SOI 3	242	31.60	$328,397
6	HEART &/OR LUNG TRANSPLANT SOI 4	258	44.20	$524,070

In conclusion, we would like to reemphasize the 18-year history of our Transplantation and Ventricular Device program, which has performed over 640 heart transplants and offered VAD support for over 95 patients. Ochsner Clinic Foundation has played a unique and critical role in providing these services to Louisianans and patients from throughout the Gulf Coast region. In the absence of adequate Medicare reimbursement, many of these patients may not have access to this life saving treatment. In light of the significant commitment Ochsner provides to heart failure patients, the striking geographic need for patient access to these services in Louisiana and the Gulf Coast region, and the variable and problematic nature of organ donation and transplant waiting times, we ask for your favorable reconsideration of the CSA DRG for VADs and for CMS to continue to insure appropriate funding is allocated.

If you have any questions or concerns, we offer to meet with you in your Baltimore office to discuss this mater in greater depth. Please accept our thanks for your attention and consideration.

Very sincerely yours,



Cliff Van Meter, Jr., M.D.
Chief
Division of Thoracic and Cardiovascular Surgery

CVM/ms