

Proposed Workplan for the APR-DRG Workgroup

*Presented to the Arkansas Health Reform Task Force
November 10, 2015*

- **Background**

At the October 20, 2015 meeting of the Legislative Task Force on Health Care Reform, the Task Force voted to create a workgroup focused on the All-Patient Refined Diagnosis Related Group (APR-DRG) hospital payment methodology.

- **Purpose**

The purpose of this document is to describe the workplan for the workgroup.

- **Proposed Approach**

It is proposed that the workgroup will meet periodically by phone (generally once between each consecutive pair of Task Force meetings) to receive briefings from staff of the Stephen Group (TSG) and other experts and stakeholders.

- **Schedule**

The remaining Task Force meetings are currently scheduled for November 10 and 24, and December 16 & 17. Proposed meeting dates for the workgroup are the week of November 16 – 20 and the week of November 30 – December 4.

- **Key Questions**

The key questions to be answered by the workgroup are as follows:

What types of hospital payment methods are being used by other public and private payers?

What are the pros and cons of the APR-DRG hospital payment approach compared to the current hospital payment approach and other alternative hospital payment approaches?

How could a hospital payment method based on the APR-DRG approach be structured in Arkansas?

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What could a transition plan from the current hospital payment approach to an APR-DRG approach be structured in Arkansas?

- **Presentations to the Task Force**

Although the details of each Task Force meeting and the preferences of the Task Force chairs will dictate whether the workgroup will present at each meeting, the following tentative presentation framework is proposed:

November 10 – Overview of APR-DRG (including answer to Key Question 1)

November 24 – Pros and cons of APR-DRG (answer to Key Question 2)

December 16 & 17 – Proposed APR-DRG program structure and transition plan (answers to Key Questions 3 and 4)

- **Membership**

The following Task Force members comprise the workgroup:

Representative Joe Farrer (chair)

Representative Kim Hammer

Representative Reginald Murdock

Senator John Cooper

Senator Keith Ingram

- **Activities**

In addition to the meetings of the work group and the presentations to the Task Force, TSG will be meeting with 3M, the developer of the APR-DRG system; gathering information from other payers on their experience with developing and transitioning to an APR-DRG approach; and performing other ancillary research.