

To: AmeriHealth Caritas Louisiana Hospital Providers

Date: September 21, 2018

Subject: AmeriHealth Caritas Louisiana to Convert to Diagnosis Related Group System (DRG)

Summary: In conjunction with the Louisiana Department of Health, AmeriHealth Caritas Louisiana will transition to a Diagnosis Related Group System (DRG) **effective January 1, 2019.**

What is DRG?

DRG payment is a method used to classify an inpatient stay. DRGs are used to gather insight, risk adjustment and then determine a price based on the classification of the hospital stay and the specific hospital where the services were performed.

Classification of the hospital stay is based on the following:

- Reason for admission.
- Severity of illness.
- Diagnosis describing the patient's condition.
- Surgical procedures performed (if any)
- Patient age
- Patient gender
- Discharge status

The classifications are labeled using codes referred to as DRG codes; each DRG code is weighted, which is intended to indicate the average relative amount of hospital resources required (minor, moderate, major and extreme) to treat patients within that DRG category.

Who will be impacted?

All hospitals that provide acute care, mental health/substance abuse services, physical rehabilitation and transplant services.

What does this mean for you?

In the coming months, AmeriHealth Caritas Louisiana will offer trainings to prepare providers for the upcoming changes **effective January 1, 2019.**

If you have any questions, please contact your Hospital Account Executive:

Hospital Account Executives	
Name/phone	Territories
<p>Jimmy Kasischke 1-225-726-4375 jkasischke@amerihealthcaritasla.com</p>	<p>Ascension, Assumption, East Baton Rouge, East Feliciana, Evangeline, Iberia, Iberville, Lafayette, Lafourche, Livingston, Orleans, Plaquemine, Pointe Coupee, St. Bernard, St. Charles, St. Helena, St. James, St. John, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermillion, Washington, West Baton Rouge, West Feliciana, and also Texas trade area hospitals</p>
<p>Terry Lambert 1-225-400-5778 tlambert@amerihealthcaritasla.com</p>	<p>Allen, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Carroll, Franklin, Grant, Jackson, Jefferson Davis, La Salle, Lincoln, Madison, Morehouse, Natchitoches, Ouachita, Rapides, Red River, Richland, Sabine, Tensas, Union, Vernon, Webster, West Carroll, Winn, as well as Arkansas and Mississippi trade area hospitals</p>