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To: ARR Hospital CFOs

From: Mary Beth Pohl, Deputy Director - Research and Methodology, HSCRC *MBP*

Date: January 18, 2012

Re: ARR Implementation - Episode Weights Posted

HSCRC staff posted the Admissions-Readmissions Revenue program (ARR) episode weights to the HSCRC website.

http://www.hscrc.state.md.us/init_arr.cfm

Weight Development

HSCRC based ARR episode weights on the calculated statewide weights per current charge per case (CPC) methodology (i.e., using statewide data to establish statewide weights by APR-DRG/SOI cell). HSCRC staff then constructed ARR weights for the entire ARR episode of care. This methodology resulted in a weight that bundles 30 day readmissions with the case weight for the initial admissions.

Operational Policy Guidelines

With the finalization and posting of the ARR episode weights, HSCRC staff will finalize revisions to the ARR Operational Policy Guidelines related to ARR weight development and episodes of care. We will post the Operational Policy Guidelines on our website by the end of the month.

Please contact me at mpohl@hscrc.state.md.us or 410-764-2673 with any questions.