

Financial Evaluation of Groups for DRG 301 - Hip Joint Replacement

At the McGill University Hospital Groupe (MUHC), a review of deficit DRGs in relation to the evaluation of clinical performance and the implementation of the new patient-centred funding model (PFF) was undertaken in 2024 to understand the major variations. DRG 301, hip joint replacement, was further developed with a clinical champion and we took a closer look at the medical coding (CCI, ICD-10, DRG).

The champion argued that there was a fundamental difference between hip joint replacement for osteoarthritis, which is more gradual, predictable and simple, and those related to fractures or oncology, where the clientele can be different and much more complex. The MUHC issue, being a trauma centre, also brings a difference and complexity in terms of the grouping of cases.

A literature review shows that most medical infrastructures are paid for per procedure without differentiating the main diagnosis (osteoarthritis/fracture). As a result, the 2 groups are paid in the same way, which makes the funding of the hip fracture group inequitable.

Further research shows that, in version 37 of the APR-DRG, DRG 301 in terms of NIRRU¹, includes 70% of cases of osteoarthritis, and 30% of cases of fractures or oncology. At the MUHC, the evolution of this ratio has led to levels in the order of 50% / 50%, especially since the pandemic has had a major effect on surgical delays for osteoarthritis cases. A comparison with other hospitals in the province shows a higher ratio of fracture cases at the MUHC than the rest of the province. This added complexity makes financial models that rely on NIRRU for these ratios make us look less efficient.

Further research highlighted the fact that, in version 38 of the APR-DRG, DRG 301 disappears and is replaced by DRG 324-simple joint replacement and DRG 323-complex joint replacement. So this distinction is recognized.

This raises reflections on the complexity of clinical performance evaluation, and the danger of developing financial models that are too static and instead should constantly evolve.

¹ Note TH : NIRRU references the Relative resource intensity level , le niveau d'intensité relative des ressources utilisées