

each of these LTC-DRGs. This new relative weight is assigned to both LTC-DRGs, so they each have the same relative weight. For FY 2004, in this final rule, the following LTC-DRGs are in this category: LTC-DRGs 7 and 8; LTC-DRGs 205 and 206; LTC-DRGs 207 and 208; LTC-DRGs 265 and 266; LTC-DRGs 346 and 347; and LTC-DRGs 478 and 479.

Step 6—Determine a FY 2004 LTC-DRG Relative Weight for LTC-DRGs With No LTCH Cases

As we stated above, we determine the relative weight for each LTC-DRG using charges reported in the December 2002 update of the FY 2002 MedPAR file. Of the 518 LTC-DRGs for FY 2004, we identified 167 LTC-DRGs for which there were no LTCH cases in the database. That is, based on data from the FY 2002 MedPAR file used in this final rule, no patients who would have been classified to those LTC-DRGs were treated in LTCHs during FY 2002 and, therefore, no charge data were reported for those LTC-DRGs. Thus, in the process of determining the LTC-DRG relative weights, we are unable to determine weights for these 167 LTC-

DRGs using the methodology described in steps 1 through 5 above. However, since patients with a number of the diagnoses under these LTC-DRGs may be treated at LTCHs beginning in FY 2004, we assign relative weights to each of the 167 “no volume” LTC-DRGs based on clinical similarity and relative costliness to one of the remaining 354 (518 – 167 = 351) LTC-DRGs for which we are able to determine relative weights, based on FY 2002 claims data.

As there are currently no LTCH cases in these “no volume” LTC-DRGs, as we discussed in the May 19, 2003 proposed rule (68 FR 27181), we determine relative weights for the 167 LTC-DRGs with no LTCH cases in the FY 2002 MedPAR file used in this final rule by grouping them to the appropriate low volume quintile. This methodology is consistent with our methodology used in determining relative weights to account for the low volume LTC-DRGs described above.

Our methodology for determining relative weights for the “no volume” LTC-DRGs is as follows: First, we crosswalk the no volume LTC-DRGs by matching them to other similar LTC-DRGs for which there were LTCH cases

in the FY 2002 MedPAR file based on clinical similarity and intensity of use of resources as determined by care provided during the period of time surrounding surgery, surgical approach (if applicable), length of time of surgical procedure, post-operative care, and length of stay. We assign the relative weight for the applicable low volume quintile to the no volume LTC-DRG if the LTC-DRG to which it is crosswalked is grouped to one of the low volume quintiles. If the LTC-DRG to which the no volume LTC-DRG is crosswalked is not one of the LTC-DRGs to be grouped to one of the low volume quintiles, we compare the relative weight of the LTC-DRG to which the no volume LTC-DRG is crosswalked to the relative weights of each of the five quintiles and we assign the no volume LTC-DRG the relative weight of the low volume quintile with the closest weight. For this final rule, a list of the no volume FY 2004 LTC-DRGs and the FY 2004 LTC-DRG to which it is crosswalked in order to determine the appropriate low volume quintile for the assignment of a relative weight for FY 2004 is shown below in Table 2.

TABLE 2.—NO VOLUME LTC-DRG CROSSWALK AND QUINTILE ASSIGNMENT FOR FY 2004

LTC-DRG	Description	Cross-walked LTC-DRG	Low volume quintile assigned
2	CRANIOTOMY AGE > 17 W/O CC	1	Quintile 5
3	CRANIOTOMY AGE 0–17	1	Quintile 5
6	CARPAL TUNNEL RELEASE	251	Quintile 1
26	SEIZURE & HEADACHE AGE 0–17	25	Quintile 2
30	TRAUMATIC STUPOR & COMA, COMA <1 HR AGE 0–17	29	Quintile 3
33	CONCUSSION AGE 0–17	25	Quintile 2
36	RETINAL PROCEDURES	47	Quintile 1
37	ORBITAL PROCEDURES	47	Quintile 1
38	PRIMARY IRIS PROCEDURES	47	Quintile 1
39	LENS PROCEDURES WITH OR WITHOUT VITRECTOMY	47	Quintile 1
41	EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE 0–17	47	Quintile 1
42	INTRAOCULAR PROCEDURES EXCEPT RETINA, IRIS & LENS	47	Quintile 1
43	HYPHEMA	47	Quintile 1
45	NEUROLOGICAL EYE DISORDERS	46	Quintile 1
48	OTHER DISORDERS OF THE EYE AGE 0–17	47	Quintile 1
49	MAJOR HEAD & NECK PROCEDURES	64	Quintile 4
50	SIALOADENECTOMY	63	Quintile 3
51	SALIVARY GLAND PROCEDURES EXCEPT SIALOADENECTOMY	63	Quintile 3
52	CLEFT LIP & PALATE REPAIR	63	Quintile 3
54	SINUS & MASTOID PROCEDURES AGE 0–17	63	Quintile 3
55	MISCELLANEOUS EAR, NOSE, MOUTH & THROAT PROCEDURES	63	Quintile 3
56	RHINOPLASTY	72	Quintile 2
57	T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17	63	Quintile 3
58	T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0–17	63	Quintile 3
59	TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17	63	Quintile 3
60	TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0–17	63	Quintile 3
62	MYRINGOTOMY W TUBE INSERTION AGE 0–17	63	Quintile 3
67	EPIGLOTTITIS	63	Quintile 3
70	OTITIS MEDIA & URI AGE 0–17	69	Quintile 1
71	LARYNGOTRACHEITIS	97	Quintile 1
74	OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE 0–17	69	Quintile 1
81	RESPIRATORY INFECTIONS & INFLAMMATIONS AGE 0–17	69	Quintile 1
91	SIMPLE PNEUMONIA & PLEURISY AGE 0–17	90	Quintile 2
98	BRONCHITIS & ASTHMA AGE 0–17	97	Quintile 1
104	CARDIAC VALVE & OTHER MAJOR CARDIOTHORACIC PROC W CARDIAC CATH	110	Quintile 5
105	CARDIAC VALVE & OTHER MAJOR CARDIOTHORACIC PROC W/O CARDIAC CATH	110	Quintile 5