

## Introduction of Hybrid-DRGs in Germany



From January 1, 2024, the inaugural Hybrid-DRGs, established by the Federal Ministry of Health, have come into effect. Particularly, emphasis is placed on the surgical domain, focusing on hernias, proctology, and forefoot surgery. Additional applications will be launched in the sector.

### *Surgical Emphasis: Hernias, Proctology, and Forefoot Surgery*

Sector-specific compensation (Hybrid-DRG) aims to transition towards outpatient care. Numerous treatments, presently requiring a maximum hospital stay of three days, will now be promptly addressed on an outpatient basis, rendering Hybrid-DRG effective.

Jonas Schreyögg, a health economist from the University of Hamburg, underscored this development during an online event hosted by the Federal Association of Managed Care (BMC). According to Schreyögg, morbidity significantly increases only with an extended hospital stay, and cases of such nature cannot be immediately treated on an outpatient basis.

Approximately 3.4 million days spent in the hospital by short-term patients (max. three days) could be compensated under Hybrid-DRG, amounting to approximately 4.3 billion euros, as stated by Schreyögg. Expanding the Outpatient Intervention Catalogue (AOP catalogue) based on the 2022 IGES report could potentially double this occupancy, transferring them from inpatient to outpatient care. Around seven million days are taken into consideration. Not only short-term cases but also other scenarios could result in savings of up to 26 million days, Schreyögg explained.

The proposed compensation for Hybrid-DRG falls between the reimbursement catalogue for outpatient physicians (Uniform Valuation Scale, EBM) and the diagnosis-related lump sums in the inpatient sector (DRG). For certain hernia procedures, EBM currently offers less than 1,000 euros, while DRG provides up to 3,500 euros. Hybrid-DRG is set to be between 1,600 and 2,000 euros.

Significant savings are possible when looking at the average reimbursement. A 2-day DRG could see savings of up to 45%, with Hybrid-DRG proposing 1,559 euros compared to the current average of 2,818 euros. Similarly, for a 1-day DRG (2,190 euros), potential savings of 29% are calculated, as explained by Schreyögg. These calculations are expected to be published in the Hospital Report 2024.

### Transition to Outpatient Care: Sector-Specific Compensation with huge savings

Consideration of planned retention flat rates adds complexity. Since these flat rates are intended to be subtracted from DRG, the difference may not be as pronounced. On average, adjusting for retention flat rates, a 2-day DRG (1,838 euros) to Hybrid-DRG (1,559 euros) could still achieve a 15% reduction.

However, for a 1-day DRG (1,428 euros), Hybrid-DRG could bring in a revenue increase of nine per cent. Schreyögg interprets this as potentially making outpatient care more attractive than the current status quo. Nonetheless, it's important to note that retention flat rates are scheduled to take full effect later than Hybrid-DRG, according to the current plan for hospital reform, expected in 2029/2030.

Source: [Deutsches Ärzteblatt](#)

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Published on : Thu, 1 Feb 2024