

Medicare Short-Stay Discharge Trends from HIDI's Average Hospital Charges for Medicare Patients – DRG Report

For many years, the Hospital Industry Data Institute (HIDI), the data company of the Missouri Hospital Association, has produced an annual report that provides several key measures associated with inpatient short stays as contained in the Center for Medicare and Medicaid Services (CMS) MedPAR Final Rule file Limited Data Set (LDS). The expansive report details volumes, lengths of stay and various cost elements at the DRG level for all facilities in Missouri, metro Kansas City, Kansas and metro St. Louis City, Illinois. Users of the report are kept apprised of observable shifts as granularly as at the individual hospital level. CMS MedPAR LDS use terms require that HIDI publish a publicly available excerpt of these findings. Toward this end, a summary of high-level findings from the Fiscal Year 2018-2023 MedPAR reports is provided below.

For Missouri facilities only, there were 330,672 Medicare discharges from 130 facilities with total charges of \$23,067,433,851 and total interim payments of \$2,391,342,002. The interim payment to charges ratio was 10.4 percent; the average charge per discharge was \$69,759.

For all facilities (Missouri and metropolitan Kansas City and St. Louis) there were 16,494 discharges with total charges of \$3,311,277,467 removed as charge outliers. The average charge per discharge was \$200,756.

After removing outliers, the trend in Medicare discharge volume in Missouri facilities was down about 9.9% from 2018 to 2023. From 2018 to 2023, Missouri facilities experienced a relatively flat interim payment per discharge rate increase compared to an average charge per discharge that's increased 4.1% since 2022 and 38.9% since 2018. Over time, Medicare reimbursement is becoming a smaller and smaller fraction of Missouri facilities' charge amounts.

