**Section 149.50 Hospital Inpatient Services Subject to and Excluded from the DRG Prospective Payment System**

Effective for dates of discharge on or after July 1, 2014:

a) Inpatient Services Subject to Submission for DRG Grouping. All hospital inpatient services provided to enrollees of the Medical Assistance programs, without regard to balance due or expected reimbursement methodology to be applied by the Department, must be documented on a claim and submitted to the Department. The Department shall process and group all hospital inpatient claims through the DRG grouper.

b) Excluded from DRG PPS reimbursements are:

1) Psychiatric services provided by:

A) A psychiatric hospital, as described in 89 Ill. Adm. Code 148.25(d)(1).

B) A distinct part psychiatric unit, as described in 89 Ill. Adm. Code 148.25(c)(1).

2) Physical rehabilitation services provided by:

A) A rehabilitation hospital, as described in 89 Ill. Adm. Code 148.25(d)(2).

B) A distinct part rehabilitation unit, as described in 89 Ill. Adm. Code 148.25(c)(2).

3) Services provided by a long term acute care hospital, as described in 89 Ill. Adm. Code 148.25(d)(4), that are not psychiatric services or services described in subsections (b)(6) through (b)(7).

4) Inpatient services, reimbursed pursuant to 89 Ill. Adm. Code 148.330.

5) Services provided by a large public hospital, as described in 89 Ill. Adm. Code 148.25(a)(3).

6) Services provided by a large public hospital, as described in 89 Ill. Adm. Code 148.25(a)(1) and (2), through December 31, 2015.

7) Hospital residing long term care services, as described in 89 Ill. Adm. Code 148.50(c).

8) Sub-acute alcoholism and substance abuse treatment services, as defined in 77 Ill. Adm. Code 2090.40.

9) Inpatient services provided by Children's Specialty Hospitals as described in 89 Ill. Adm. Code 148.116.

10) Non-transplant inpatient services provided by non-cost reporting hospitals, which will be reimbursed at a rate equal to the higher of $672.24 per day or the provider's per diem rate in effect on June 30, 2014.

(Source: Amended at 41 Ill. Reg. 1059, effective January 19, 2017)