



# What are DRGs?

DRGs (diagnosis related groups) are a patient classification system that provides a clinically meaningful way of relating the types of patients treated in a hospital to the resources required by the hospital. DRGs are organised within an adjacent diagnosis related group (ADRG) on the basis of clinical complexity. ADRGs occasionally may be defined by other variables such as age, length of stay, separation mode. An ADRG is a code consisting of alpha and two numeric characters, whereas a DRG is the same alpha and two numeric characters plus an additional alpha character.

(Source: Australian Refined Diagnosis Related Groups Version 10.0, Independent Hospital Pricing Authority, 2019).

A DRG is grouped using specialised designed computer software and is calculated as part of the Queensland Hospital Admitted Patient Data Collection (QHAPDC).

#### DRGs are:

- calculated for every episode of admitted care
- split (fourth alpha character) to indicate their rank within an ADRG
- used for activity based funding
- calculated in various versions for ongoing data analysis and reporting by the Statistical Services Branch

#### DRGs *do not*:

- use supplementary codes for chronic conditions in the grouping process.
- always group to a single body system or aetiology (major diagnostic category). There are also three 'error DRGs'. Error DRGs are episodes that contain atypical or invalid information.

Data definitions and further information can be found in the [QHAPDC Manual](#).

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