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SwissDRG – the tariff structure for inpatient acute care

Basic information for healthcare professionals:

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Brief explanation of SwissDRG

SwissDRG is a tariff system that regulates the remuneration for all services in the field of inpatient acute care uniformly throughout Switzerland on the basis of flat rates.

Tariff structure as part of the tariff system

The [tariff system](#) comprises the SwissDRG tariff structure, including framework conditions and the negotiation of tariffs between service providers and social insurers. The tariff structure consists of the definition manual and the associated [grouper software and flat rate per case catalogue](#). In addition, supplementary framework conditions, e.g. the billing conditions, are set out in various documents for smooth application.

Grouping

Within the scope of the application of SwissDRG, each inpatient stay in a clinic or hospital is assigned to a [case group \(diagnosis related group – DRG\)](#) on the basis of specific criteria such as primary diagnosis, secondary diagnoses, treatments and age using the grouper software, then it is rated with a cost weight.

Remuneration

The effective cost weight per case results from the [cost weight of the relevant flat rate per case and, where applicable, the additional fees or reductions for the length of stay](#). The level of remuneration is finally calculated by multiplying the effective cost weight by a base rate applicable to the hospital, which is negotiated by the tariff partners or, if the tariff partners do not agree, is set by the appropriate cantonal government.

Introduction of SwissDRG

SwissDRG was introduced on [1 January 2012](#) as a tariff system that was effective throughout Switzerland.

“In the past decade the SwissDRG flat rate per case system has been continually developed and refined thanks to real cost and service data from hospitals and clinics. This is key to healthcare provision and ensures hospitals can offer high quality services in future.”



Guido Speck, CEO Lindenhofgruppe

Grouper
Flat rate per case
catalogue
Cost weight
Length of stay
Additional fee

SwissDRG at a glance

From revision of the Swiss Federal Health Insurance Act through to approval by the Federal Council – the development of the SwissDRG tariff structure at a glance:

Legal mandate

SwissDRG AG is responsible for the preparation and further development of inpatient tariff structures as well as their adaptation and maintenance. The legal basis lies in the Swiss Federal Health Insurance Act (*Krankenversicherungsgesetz, KVG*).



Data collection

The SwissDRG tariff structure is based on cost and service data from inpatient institutions throughout Switzerland.



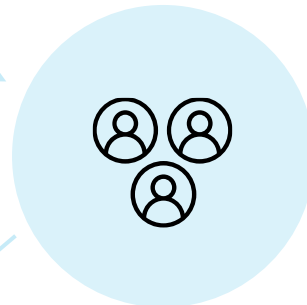
Calculation

Based on the revised medical logic, a defined calculation methodology is used to rate the DRGs and compile the flat rate per case catalogue.



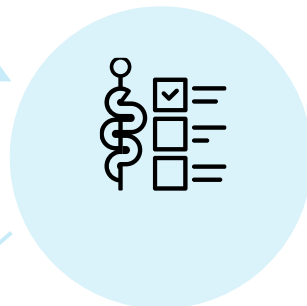
Approval

Each new version of SwissDRG is subject to a two-stage approval process. In accordance with the Federal Health Insurance Act, the Federal Council as well as the partners of SwissDRG AG must approve each new version of the tariffs.



Partners

SwissDRG AG is a joint institution made up of service providers, insurers and cantons.



Medical logic

The medical logic, i.e. the grouper software, will continue to be developed on the basis of verified data.



Product

The flat rate per case catalogue as well as the definition manual and the grouper software form the SwissDRG tariff structure. Together with the regulatory framework, smooth application of SwissDRG is ensured.

SwissDRG – objectives

The introduction of the SwissDRG tariff system created a Switzerland-wide remuneration system for inpatient acute care.

The objectives of the SwissDRG tariff system as part of the overall tariff system are to create clear framework conditions, to increase the transparency and comparability of services, costs and quality, and to promote the patient-oriented use of resources. The following objectives can be defined in detail:

- SwissDRG is a tariff system that regulates the remuneration for services in inpatient acute care throughout Switzerland in a uniform manner and meets the requirements of the Swiss Federal Health Insurance Act.
- SwissDRG facilitates improved transparency of costs and services and forms the basis for operational comparisons and competition.
- The tariff structure is designed as an adaptive system, which undergoes continuous development based on the hospital data collected.
- The application of service-related flat rates means that the complexity and special characteristics of inpatient care in Switzerland can be incorporated into the SwissDRG tariff structure.
- As a tariff structure, SwissDRG provides incentives for medically and economically reasonable treatment.
- SwissDRG is service-related and leaves space for treatment approaches tailored to the individual patient.

uniform
transparent
adaptive system
service-related
economic
medical

“The introduction of SwissDRG led to cantons increasingly considering the criterion of cost-effectiveness when approving and fixing tariffs.”



Pierre Alain Schnegg,
Bern Cantonal Councillor and Chair of the Board of Directors
of SwissDRG AG

Partner organisations

SwissDRG AG is a joint institution made up of service providers, insurers and cantons in the Swiss healthcare system. It is responsible for the introduction, further development and maintenance of the inpatient tariff structures.

SwissDRG AG is responsible for the preparation and further development of tariff structures applied in the inpatient setting as well as their adaptation and maintenance.

It implements the legal mandate passed by the Swiss parliament in December 2007. The non-profit public limited company was established on 18 January 2008 as a joint institution made up of service providers, insurers and cantons.

The integration of key healthcare stakeholders addresses the various needs and requirements that the tariff structure has to meet. SwissDRG AG and its partner organisations work together to ensure that the further development of nationally applicable inpatient tariff structures benefits patients, premium payers and taxpayers.

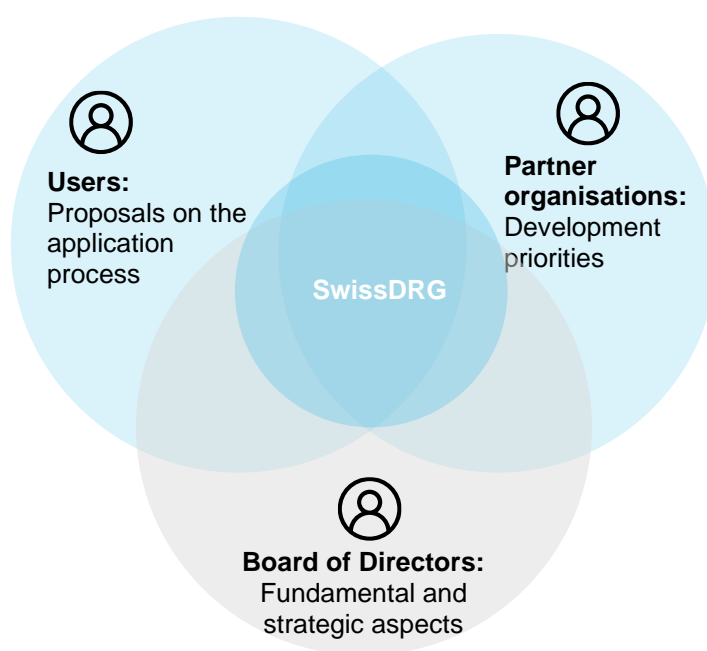
The tariff negotiations between service provider and social insurer do not fall within the remit of SwissDRG AG.

The following are supporting organisations of SwissDRG:

- Swiss Conference of Cantonal Ministers of Public Health (GDK)
- H+ Swiss Hospitals
- santésuisse Association of Swiss Health Insurers
- Swiss Medical Association (FMH)
- Medical Tariff Commission (MTK) for Accident Insurance (UVG), Military Insurance/Disability Insurance (MV/IV)
- curafutura The association of innovative health insurers

Joint strategy

The integration of partner organisations and other stakeholders at different levels leads to application-oriented and targeted further development of SwissDRG.



Concept and steps towards further development

SwissDRG has undergone constant further development since its introduction in 2012. In the process SwissDRG AG has followed the “Product Development Guidelines” which cover the principles of the tariff structure and its development, among other aspects.

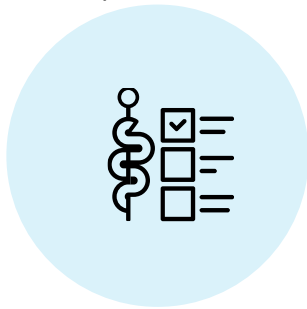
A new version, which is usually released annually and is based on more up-to-date data and refined grouping logic, takes into account new findings and innovations in medical treatment.



Data collection

SwissDRG AG collects data from hospitals in order to maintain, further develop and adapt the SwissDRG tariff structure in accordance with its legal mandate.

The development of a new SwissDRG version starts with the transfer of data. This step involves hospitals and clinics supplying their service and cost data to SwissDRG AG in an anonymised and standardised form. These data are checked for plausibility and cleaned up by SwissDRG AG. Implausible cases are not used for further development of the tariff structure.



System development

The medical logic, i.e. the grouper software, is further developed on the basis of the cleaned up data.

This means that new findings are included and the existing medical logic is refined and adapted. In the process, known as **split criteria**, which function as **cost separators**, are redefined or adjusted. Cases with a similar cost structure are grouped together in a DRG. Proposals from partner organisations for further development of the tariff structure, which are put forward during the application process, serve as a basis for that further development.



Calculation

Based on the revised grouping logic, a defined calculation methodology is used to rate the DRGs and compile the flat rate per case catalogue.

A cost weight is calculated for each DRG. Furthermore, additional fees and reductions are calculated to represent short and long-stay cases.

The grouping logic in conjunction with the calculation methodology guarantees proper representation of inpatient treatment cases.



Results and approval

Each new tariff version is subject to a consultation process and a two-stage approval process.

Further developments as well as a qualitative assessment of the further developments are presented to the partner organisations of SwissDRG AG in **system presentations** for which comprehensive documentation is provided.

After the new version of the tariff has been accepted by the partners of SwissDRG AG, it is submitted to the Federal Council for approval.

Application of SwissDRG

At the core of SwissDRG lies the grouping logic, which assigns a DRG to each inpatient acute care case. The cost weight of a DRG together with the base rate determines the remuneration for a treatment case.

In addition to the flat rate remuneration, there is the possibility of charging an additional fee for individual services.

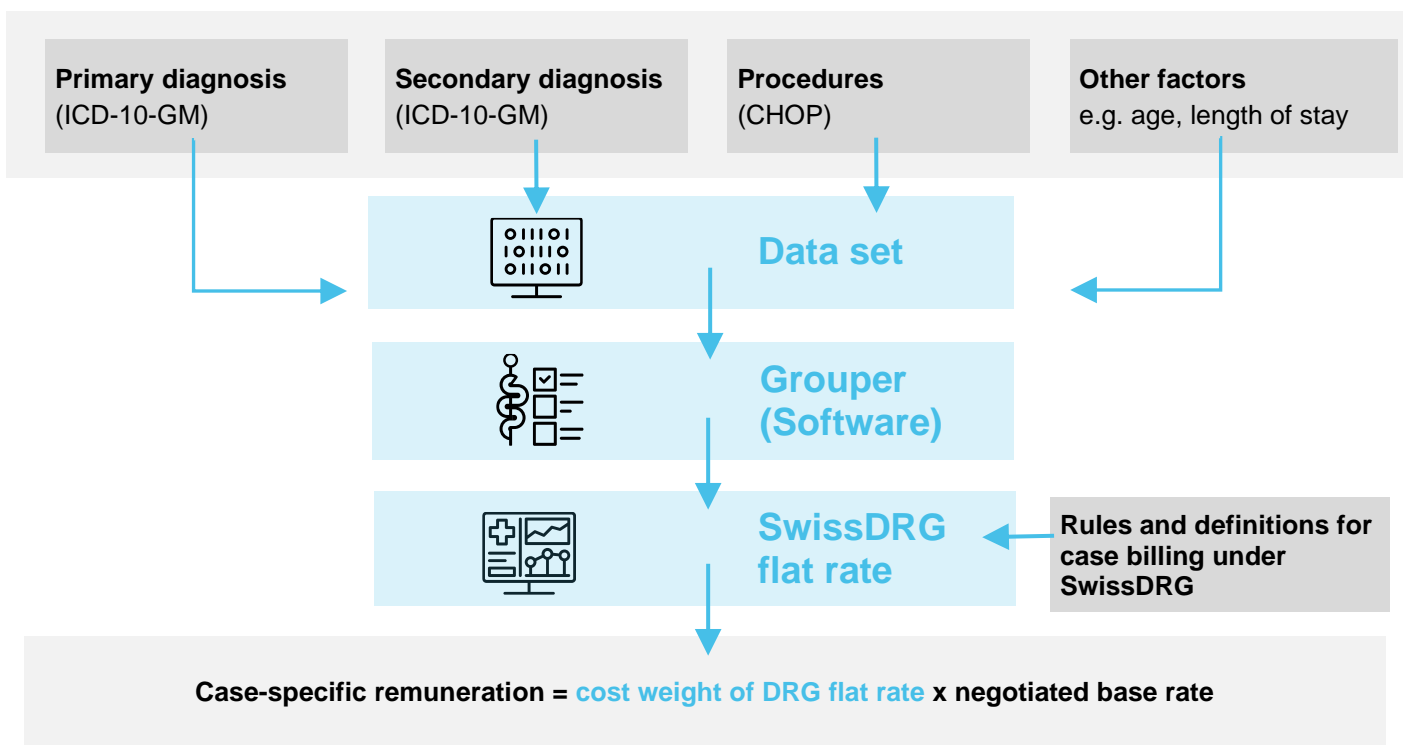
Certain services and products that cannot be properly remunerated via a DRG are billable via additional fees.

Additional fees are not shown as a dimensionless cost weight in the same way as flat rates. Instead they appear as an amount in Swiss francs. The catalogue of additional fees is part of the flat rate per case catalogue and is hence subject to the regular approval processes.

“To remain competitive, hospitals must consistently provide their services at a high quality level and at reasonable prices. The flat rate per case payments create excellent conditions to do this. More transparency and true costing encourage competition between hospitals, from which all patients benefit.”



Verena Nold Rebetez, santésuisse Director



The SwissDRG tariff system is supported by supplementary framework conditions, which are established by the partner organisations of SwissDRG AG but also by the Swiss Federal Statistical Office (FSO).

In order to facilitate uniform, Switzerland-wide application of the tariff system, fundamental aspects are defined in the rules and definitions for case billing.

The [rules and definitions for case billing](#) are hence an integral part of the tariff structure and the tariff system and are drawn up by the partner organisations of SwissDRG AG. They are supplemented by clarifications, if necessary, and undergo constant further development.

Service data from hospitals are collected and also used by the grouper software with the use of FSO coding instruments.

The coding instruments comprise the diagnosis classification (ICD) and the Swiss catalogue of operational procedures (CHOP catalogue) as well as the coding guidelines.

The classifications are updated annually in collaboration with the FSO, the partner organisations and SwissDRG AG.

To ensure stable and high-quality coding, the tariff system is supplemented with [coding revision guidelines](#) which are defined by the partner organisations of SwissDRG AG.

The tariff partners negotiate hospital-specific base rates, taking into account differences in costs between hospitals that are not sufficiently represented by the tariff structure.

To assist the tariff negotiations, the Board of Directors of SwissDRG AG may publish [findings](#) that support the proper application of the tariff structure.

Outlook

SwissDRG is currently used as the tariff system for all inpatient acute care hospitalisations in Switzerland and is accepted as such throughout the country.

SwissDRG is designed as an adaptive system that permits continuous further development and differentiation. This guarantees that the tariff structure follows and integrates medical advances and new treatment approaches.

The ongoing development of SwissDRG is based on feedback from users, who are thus able to exert a direct influence on its further development and on possible ways of representing individual treatments within the tariff structure.

Further information

Further information about the framework conditions and technical aspects of the SwissDRG tariff structure as well as its development and application can be found on the SwissDRG AG website:

Data collection

Detailed information about data collection and documentation of data sets and the web interface.

<https://www.swissdrg.org/de/akutsomatik/datenerhebung>

Application procedure

The structured application procedure offers users the opportunity to participate in development of the tariff structure.

<https://www.swissdrg.org/de/akutsomatik/antragsverfahren>

Additional publications

Information regarding findings about the tariff system and instructions on recording of services and billing.

<https://www.swissdrg.org/de/akutsomatik/swissdrg>

Up-to-date information

You can find the latest information about the tariff structure in our regular SwissDRG newsletter, which you can subscribe to online.

<https://www.swissdrg.org/de/ueber-uns/kommunikation-1/newsletter-abonnieren>

Information from the Board of Directors

The Board of Directors of SwissDRG AG may publish additional findings for the purpose of proper application of the tariff structure.

<https://www.swissdrg.org/de/ueber-uns/kommunikation-1>

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Partner organisations

Swiss Conference of Cantonal Ministers of Public Health
(GDK)

www.gdk-cds.ch

H+ Swiss Hospitals

www.hplus.ch

santésuisse Association of Swiss Health Insurers

www.santesuisse.ch

Swiss Medical Association (FMH)

www.fmh.ch

Insurers under the Swiss Federal Law on Accident
Insurance, Disability Insurance, Military Insurance (MTK)

www.mtk-ctm.ch

curafutura The association of innovative health insurers

www.curafutura.ch