

## **Audit Report 1/2022**

**“Do the Hellenic Diagnosis Related Groups (KEN-DRGs) constitute a reliable hospital pricing system?  
Did this system meet the objectives of its implementation?”**

### **EXECUTIVE SUMMARY**

The audit sought to provide answers to the major issue of the nursing allowances rationalisation. The overall issue consists in implementing a reliable method of costing - compensation of the health services provided, in order to reduce costs and increase the quality of services. The audit led to the following findings:

**I.** The design, development and implementation of the Hellenic Diagnosis Related Groups (KEN - DRGs) do not meet the minimum requirements for their reliable and efficient operation.

**II.** At the time of their introduction, no specific, quantified and time-bound targets had been set.

**III.** The training of hospital staff to the use of the relevant applications proved to be inadequate; the relevant manuals proved to be not only deficient, but also contradictory in several cases.

**IV.** The hospitals' IT and costing systems were not adequately adjusted; therefore it was not possible to follow-up the actual hospitalisation costs at patient level.

**V.** The Ministry of Health did not establish a central administrative unit, competent for coordinating, supervising and monitoring the KEN/DGRs data. The relevant IT systems were not subject to any necessary modifications/adjustments, in order to avoid incorrect invoicing and payment of inadequate hospitalisation fees.

**VI.** Even when KEN – DRGs were actually implemented, a significant number of patients' hospitalisation cases is still billed according to the previous system (Daily Hospitalization).

**VII.** Planned actions and procedures for the successful implementation of the new system (i.e. the KEN – DRGs) are still not integrated; its malfunctions and pathogenesis still exist.

**VIII.** The overall reform of the hospitalisation pricing system has not been assessed from 2011 to date. Data related to its total cost has not been made available.