

Further Explanation of Case Mix Index (CMI)

Each Medicare patient is classified into a Diagnosis Related Group (DRG) on the basis of clinical information. The Centers for Medicare and Medicaid Services assigns a relative weight to each DRG. The average DRG weight for all of a hospital's Medicare volume is the hospital's CMI.

Below is an illustrative example of how the Medicare CMI for a particular hospital is computed.

DRG	Weight	Number of Cases	Aggregate Case Weight
A	0.6	10	6.00
B	1.60	10	16.00
C	2.00	10	20.00
Total	n/a	30	42.00

This hospital's average CMI would be $42.00/30 = 1.4$.

Below are examples of DRGs and their weight.

MS-DRG	MS-DRG Title	Weight
007	Lung Transplant	9.5998
103	Headaches w/o major complications or comorbidities (MCC)	0.6239
313	Chest Pain	0.5314