

Sept. 2, 2025
MB# 25-024

MEDICAID BULLETIN

TO: Hospital Providers

SUBJECT: Inpatient Hospital Services Payment Methodology - Changes to the APR-DRGs Classification System

Effective for inpatient hospital discharges incurred on or after Oct. 1, 2025, the South Carolina Department of Health and Human Services (SCDHHS) will update the All Patient Refined Diagnosis Related Groups (APR-DRGs) classification system, from version 32 of the Solventum™ (formerly 3M™) to version 42 of the APR-DRGs.

Providers who are eligible for reimbursement of inpatient hospital services through the APR-DRGs include general acute care hospitals, including distinct part units of general acute care hospitals, and long-term acute care hospitals.

SCDHHS' [Hospital Services Provider Manual](#) and the agency's Procedure Codes document (Section 4 of the Hospital Services Provider Manual) will be updated to reflect the changes to the APR-DRGs classification system by Oct. 1, 2025. Payment calculations for inpatient claims (DRG reimbursement types) will be updated to reflect the new APR-DRGs Version 42 payment parameters and will be available on the agency's [APR-DRGs web page](#) by Oct. 1, 2025.

Providers should direct questions related to this bulletin to the Provider Service Center (PSC). PSC representatives can be reached at (888) 289-0709 from 7:30 a.m.-5 p.m. Monday-Thursday and 8:30 a.m.-5 p.m. Friday. Providers can also submit an online inquiry at <https://www.scdhhs.gov/providers/contact-provider-representative>.

Thank you for your continued support of the South Carolina Healthy Connections Medicaid program.

/s/
Eunice Medina