



Connecticut Medical Assistance Program
Policy Transmittal 2025-34

Provider Bulletin 2025-77
December 2025

Andrea Barton Reeves, J.D., Commissioner

Effective Date: January 1, 2026
Contact: roland.claudomir@ct.gov

TO: All Hospital Providers

RE: Annual Update to the Inpatient Hospital Adjustment Factors and Update to the APR-DRG Weights

This policy transmittal is to inform providers that, effective for inpatient hospital discharges on or after January 1, 2026: (1) the adjustment factor added to the All Patient Refined – Diagnosis-Related Group (APR-DRG) base payment calculation will be updated for calendar year (CY) 2026 in accordance with the existing approved methodology and (2) the version 43 traditional weights established by 3M will be implemented for APR-DRG.

As described in approved Medicaid State Plan Amendment (SPA) 20-0001, updating the adjustment factor for each CY is necessary to make overall DRG payment levels under the most recent grouper comparable to overall payment levels under the prior grouper. The calculations for the CY 2026 adjustment factor were made using the traditional weights.

The CY 2026 adjustment factors by peer group are:

- 1.2429 for non-governmental licensed short-term general hospitals,
- 1.1936 for governmental licensed short-term general hospitals, and
- 1.2100 for licensed children's general hospitals.

Out-of-state licensed short-term general hospitals receive the adjustment factor for in-state non-governmental licensed short-term general hospitals. Out-of-state licensed

children's general hospitals receive the adjustment factor for in-state licensed children's general hospitals.

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