

CMS REIMBURSEMENT FOR TOTAL HIP AND KNEE REPLACEMENTS

MAY 2024

CMS Mandate

Total hip and knee arthroplasties are the most common procedures for degenerative joint disease — about 1.3 million annually in the U.S. ¹ These procedures are therefore a major component of healthcare payer reimbursements.

In order better to control those reimbursements, the U.S. [CMS](#) will now include in its [Hospital Inpatient Quality Reporting Program](#) the “Total Hip Arthroplasty/Total Knee Arthroplasty Outcome-Based Performance Measure” (THA/TKA PRO-PM). ²

Key elements of the mandate highlighted by the CMS include:

- ❖ The THA/TKA PRO-PM was developed for the hospital setting to promote collaboration and shared decision-making between patients and providers across the full spectrum of care.

Important Considerations

Systems

Hospital systems are often poorly equipped properly to track and monitor long-term outcomes in a manner compliant with the CMS requirements. Their IT platforms are usually designed for fee-for-service

- ❖ CMS seeks to advance patient-centered measurement with as little burden as possible to both providers and patients.

The THA/TKA PRO-PM is the first PRO-PM of its kind that incorporates the patient’s self-assessment of their pain and function directly in the measure outcome. Hospitals failing to achieve the necessary THA/TKA PRO-PM thresholds will see substantial reductions in CMS reimbursement rates. Those thresholds include:

- ❖ *All Medicare Fee-for service (FFS)* patients aged 65 years or older with eligible inpatient elective, primary THA/TKA procedures.
- ❖ Collecting and submitting complete data on at least 50 percent of eligible THA/TKA patients.

Voluntary THA/TKA PRO-PM data submissions to CMS began in October 2023. Mandatory data submissions will begin September 30, 2026.

reimbursement, revenue management, marketing and other objectives unrelated to clinical outcomes monitoring.

Outcomes capture, if it occurs at all, is limited to patient satisfaction, research studies and other episodic contexts.

Cost

Failure to meet the new CMS TKA/THA rules can result in significant reductions in payments to hospitals. However, the cost of compliance can also be expensive – both in initial investment and ongoing expense.

Interrupting Clinical Flow

The responsibility of long-term outcomes is likely to fall on already over-burdened clinicians and their staff. This may lead to interruption of other clinical responsibilities, worsening professional morale, and unlikely attainment of the minimum CMS guidelines.

Patient Engagement

Long-term outcomes capture and analysis represent an opportunity for deeper patient engagement and early detection of possible adverse events. They can also drive a culture of more informed clinical decision-making.

Publication

When correlated with relevant clinical intervention data, long-term outcomes are

the basis of statistically significant journal articles, conference presentations and educational materials.

Dataset Monetization

Longitudinal datasets complying with Good Clinical Practice and 21 CFR Part 11 will represent substantial intellectual property value, as well as licensing and other monetization opportunities.

Future Payer Requirements

Healthcare is steadily moving from fee-for-service to “value-based”. The CMS THA/TKA mandate represents a focus on outcomes-driven reimbursement which will soon affect all medical specialties and procedures.

A hospital will be prudent to establish an outcomes capture system which not only accommodates TKAs and THAs today, but can do so for all other procedures. Moreover, as indicated properly implemented those longitudinal datasets can represent a profit center.

A Compliant Program

RegenMed regularly works with provider groups to establish Real-World Evidence Programs which are tailor-made to meet

CMS’s THA/TKA PRO-PM mandate. Key elements include:

- ❖ Robust, patented technical platform and associated processes competitive with much more expensive solutions.
 - ❖ HIPAA, GDPR and Part 11 Compliant.
 - ❖ Outcomes capture representing excellent clinician and patient user experience. Does not interrupt clinical flow.
 - ❖ Low cost, flexible and highly scalable.
 - ❖ Supports GCP data collection.³
 - ❖ Powerful reporting features.
 - ❖ Generate statistically and clinically significant longitudinal datasets ready for publication, presentations and monetization.
- ❖ Processes include onboarding of clinicians and staff. Patient enrollment.
 - ❖ Inherently supports collaboration among healthcare professionals, laboratory technicians, and others.
 - ❖ All datasets are owned by client, and accessible 24/7 from any device.
 - ❖ Ability to accommodate any standardized or custom outcomes assessment score.
 - ❖ Open APIs support integration with other systems.
- To find out more, please visit rgnmed.com or [contact us](#).

Endnotes

¹ <https://rheumatology.org/patients/joint-replacement-surgery>.

² https://qualitynet.cms.gov/inpatient/measures/THA_TKA.

³ <https://www.rgnmed.com/post/overview-of-good-clinical-practice>.