

Episode Summary:

Total Hip and Knee Replacement

Arkansas Health Care Payment Improvement Initiative

I. What is the hip and knee replacement episode, and how will the episode model encourage more effective and efficient care?

Hip and knee replacements resulting from joint degeneration and osteoarthritis are among the top five elective procedures performed. Each operation involves pre-surgery diagnostics and testing, hospitalization, the procedure itself, and post-surgery rehabilitation. Today, multiple providers are involved at each stage without optimal coordination. This leads to duplication of efforts, increased costs and decreased quality of care.

The hip and knee replacement episode will promote coordination of care among the currently fragmented providers, encourage clinical effectiveness, and reward high-quality care in order to reduce complications that threaten quality and increase costs.

II. Key features of the hip and knee replacement episode

▶ Episode definition: The hip and knee replacement episode includes all care related to hip and knee total replacement resulting from joint degeneration and osteoarthritis. A hip and knee episode

spans from 30 days prior to the surgery to 90 days after surgery. Included in the episode are all readmissions within 30 days, all facility services, inpatient professional services, and rehabilitation services, as well as any related outpatient labs and diagnostics, outpatient costs, and medications.

- ▶ Principal Accountable Provider: The PAP is the orthopedic surgeon who performs the hip/knee replacement procedure.
- ▶ Supplemental quality measures: In order to participate in upside savings, providers must meet a quality metric related to the 30-day readmission rate. Additionally, PAPs will receive reports highlighting their performance on post-op DVT/PE during inpatient stay, 30-day infection rate, percentage of patients transferred to SNF/rehab, and length of stay in SNF/rehab.
- ▶ Adjustments and exclusions: The episode will only include patients between 18 and 65 years of age and will exclude patients with comorbid conditions (e.g. cancer, dialysis). The episode does not include partial hip and knee replacements, revisions of previous replacements, or replacements resulting from accidents.



For the latest information on the initiative, visit www.paymentinitiative.org.

