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?

This episode addresses elective hip and knee replacements that result from joint degeneration and osteoarthritis. It includes all related services and treatment for the joint replacement, including all those immediately before and for a period following the procedure.

Treatment today involves multiple providers who may not effectively communicate amongst themselves, which can lead to inefficient care coordination and potential duplication of services. Further, there is significant cost variation across providers. The hip and knee replacement episode will promote coordination of care within the fragmented delivery system by identifying a specific provider responsible for the overall care of the patient. This provider will be responsible for managing the patient’s needs, increasing patient satisfaction, and reducing complication and readmission rates.

II. Key features of the hip and knee replacement episode

- **Episode definition:** The hip and knee episode includes all care related to elective hip and knee replacements. The episode will include all services in the period from 30 days prior to the surgery to 90 days after surgery, including all cause readmissions within 30 days of hospital discharge, all facility services, inpatient professional services, and rehabilitation services, as well as any hip/knee-related outpatient labs and diagnostics, outpatient costs, and medications.

- **Principal Accountable Provider:** The Principal Accountable Provider (PAP) for the hip and knee replacement episode is the orthopedic surgeon who performs the surgical replacement procedure.

- **Quality measures:** To participate in rewards, PAPs must attain adequate performance in the 30-day readmission rate for their patients. PAPs will also receive reports highlighting their performance on a set of additional quality metrics (e.g., post-op symptomatic DVT/PE during inpatient stay, 30-day infection rate resulting in a hospitalization).

- **Adjustments and exclusions:** The episode will include only patients between 18 and 65 years of age and will exclude patients with comorbid conditions (e.g., cancer). The episode does not include partial hip and knee replacements, revisions of previous replacements, or replacements resulting from accidents.