

Centers for Medicare & Medicaid Services

Summary of the Knee Arthroplasty Cost Measure

The episode-based cost measures under development for potential use in the Quality Payment Program evaluate a clinician's risk-adjusted cost for the episode group by averaging it across all episodes attributed to the clinician during the performance period. The cost of each episode is the sum of the Medicare Parts A and B costs for clinically related items and services that have been assigned based on input received from a Clinical Subcommittee. These services include those performed by the attributed clinician as well as other healthcare providers during the episode window.

Medicare beneficiaries included in the measures are those enrolled continuously in Medicare Parts A and B, but not C, during the duration of the episode window. This cohort does not include Medicare beneficiaries for whom the following conditions apply: Medicare was not the primary payer, the episode date does not end during the period of performance, the patient died during the episode.

- **Measure Name: Knee Arthroplasty**
 - **Description:** This measure evaluates clinicians' risk-adjusted cost for the Knee Arthroplasty episode group. This cost measure is meant to apply to clinicians who perform elective, total and partial Knee Arthroplasties during the performance period for Medicare beneficiaries. This surgical procedure is meant to replace a patient's own poorly functional knee with an artificial one, thereby reducing pain and increasing functionality.
 - **Input Received to Date:** The Knee Arthroplasty measure has been developed with input from the Musculoskeletal Disease Management – Non-Spine Clinical Subcommittee convened between May – August 2017. This Subcommittee comprises 28 individuals representing a total of 27 specialty societies. Subcommittee members provided detailed clinical input on each of the components of the cost measure described below.
 - **Components:** The components for the Knee Arthroplasty measure are as follows:
 - **Defining the episode group:** A Knee Arthroplasty episode is triggered by the HCPCS/CPT codes 27447 and 27446.
 - **Attributing the episode group:** A Knee Arthroplasty episode is attributed to the clinician(s) who perform(s) any of the procedures represented by the HCPCS/CPT codes above.
 - **Assigning services to episode costs:** Only services that have been determined to be clinically related to the episode (based on input from the Clinical Subcommittee) are included in episode costs. Services are assigned in a pre-trigger episode window beginning 30 days before the episode trigger and in a post-trigger episode window up to 90 days after.
 - **Risk adjusting:** The Knee Arthroplasty cost measure accounts for case-mix severity using a risk adjustment model based off of the CMS-HCC model and is modified to include additional episode-group specific risk adjusters informed by the Subcommittee's input. Along with this, certain high-risk populations are excluded from the cost measure calculation to make the patient population more homogenous.
 - **Additional Information:** Additional information about the measure specifications, including the full list of assigned services and risk adjusters, will be publicly posted on the CMS website on October 16, 2017.