

November 20, 2014

Nancy Kim, MD, PhD
Measure Development Lead
Yale New Haven Health Services Corporation/
Center for Outcomes Research and Evaluation (YNHHSC/CORE)
1 Church Street, Suite 200
New Haven, CT 06510

Re: Development of Measures of Payment for Total Hip Arthroplasty (THA) and/or Total Knee Arthroplasty (TKA)

Dear Dr. Kim:

The American Association of Hip and Knee Surgeons (AAHKS) appreciates the opportunity to provide comments on the 2014 Draft Measure Methodology Report. As you are aware, AAHKS is the essential organization of more than 2300 hip and knee specialists, functioning to serve the needs of patients, care providers and policy makers regarding hip and knee health, including hip and knee replacement surgery. AAHKS's mission is to advance and improve hip and knee patient care through leadership in education, advocacy and research.

AAHKS members value our relationships with both the Centers for Medicare & Medicaid Services (CMS) and Yale New Haven Health Services Corporation and the Center for Outcomes Research and Evaluation (YNHHSC/CORE), which we have worked to strengthen. Evidence of that partnership was evident earlier this week when our members had a conference call with members of YNHHSC/CORE to collaborate on risk adjustment issues.

After review of the Yale-drafted Measure Methodology Report and the Draft Summary of the Technical Expert Panel, AAHKS makes the following comments and recommendations:

- We understand the need to develop a hospital-level, risk-standardized, 90-day episode of care measure of payment. The measure as currently constituted does not provide a full and accurate measure of costs and value associated with TKA and THA, however, and it should not be implemented without refinement.
- We are concerned that the data used to develop the measure included CMS administrative data only, and it does not include pertinent clinical variables. It is clear that there are limitations to the use of administrative data, and it follows that expenditure data is likely flawed.
- The risk-adjustment model used in the development of the measure fails to include sociodemographic factors that have a substantial impact on the cost of care.

- As we discussed in our conference call with Yale-CORE this week, the risk-adjustment model used in the development of the measure fails to account for orthopaedic-specific risk factors that are not reflected in the billing codes. For instance, surgeons treating patients with multiple comorbidities may be disproportionately affected in public reporting if risk models do not address the complete comorbid profile, including musculoskeletal conditions. AAHKS and the national FORCE-TJR registry demonstrated that patient-reported function and assessments of osteoarthritis in knees, hips, and low back are important to these models.
- Clinician and patient-reported data, including outcomes information, should be used to augment risk-adjustment models to assure sensitive comparisons across clinical and cost metrics.
- According to the Draft Measure Methodology Report, the measure is intended to facilitate the profiling of hospital value and encourage the most efficient delivery of high-quality care, and it is not intended to be used in payment programs. To the extent that the measure is at any point to be used in a formal payment program (e.g., a prospective bundled payment program for THA/TKA for a given payor / provider in a specific locale), AAHKS believes that the model would need to be re-estimated / recalibrated with untransformed data to obtain useful payment rates (to allow for accounting of current Medicare rate elements such as wage index differences, teaching status, etc.).

AAHKS is concerned about the potential unintended consequences on access to care for the most vulnerable of our society if the episode of care payment measure does not adequately account for the complete patient profile, including comorbidities, socioeconomic status, and outcomes. Based on our past and current work in the development of clinical performance measures for hip and knee arthroplasty, we recommend that CMS and CORE engage in a partnership with AAHKS in the development/refinement of payment and clinical measures for medical conditions related to the hip and knee. More specifically, AAHKS members would be pleased to meet with CMS and Yale-CORE representatives regarding changes needed to the THA/TKA payment measure to preserve access and ensure that this care is sustainable for Medicare beneficiaries in the future.

I would be pleased to discuss these comments with you further in greater detail. Please feel free to contact me at Brian.Parsley@HOSPHYSICIANS.COM or (713) 333-9333.

Sincerely,

A handwritten signature in black ink, appearing to read "B Parsley MD". The signature is fluid and cursive, with a long horizontal stroke at the end.

Brian S. Parsley, MD
President
American Association of Hip and Knee Surgeons



Thomas K. Fehring, MD
President
The Knee Society



Paul F. Lachiewicz, MD
President
The Hip Society

cc: Michael Zarski (Executive Director, AAHKS)
AAHKS Board of Directors
Patrick Conway (CMS)