

APPENDIX 3
National Average Medicare Payment Trends for Hip and Knee Surgeries in the United States
(actual procedures rates vary by region or facility)

Code (DRG/CPT)	2020		2021		2022		2023		2024		2025		2026		% Change from 2025
	Weight/RVUs	Rate	Weight/RVUs	Rate											
IPPS^{1,2}															
469	3.1399	\$18,200	3.0989	\$18,530	3.0866	\$18,952	3.2314	\$20,602	3.3298	\$21,636	3.2685	\$21,591	3.0332	\$20,483	-5.1%
470	1.9684	\$11,410	1.9104	\$11,423	1.9015	\$11,675	1.9119	\$12,189	1.8817	\$12,226	1.8855	\$12,455	1.9289	\$13,025	+4.6%
521	--	--	3.0652	\$18,329	3.0663	\$18,827	3.0192	\$19,249	2.9942	\$19,455	2.9146	\$19,253	2.8702	\$19,382	+0.6%
522	--	--	2.1943	\$13,121	2.1903	\$13,449	2.1729	\$13,853	2.1122	\$13,724	2.1082	\$13,926	2.1177	\$14,300	+2.7%
OPPS															
27130	147.2988	\$11,899	148.7344	\$12,314	149.6049	\$12,593	152.4576	\$13,048	143.6551	\$12,552	144.2970	\$12,866	143.4859	\$13,116	+2.0%
27447	147.2988	\$11,899	148.7344	\$12,314	149.6049	\$12,593	152.4576	\$13,048	143.6551	\$12,552	144.2970	\$12,866	143.4859	\$13,116	+2.0%
ASC															
27130	--	--	180.4429	\$8,833	180.8564	\$9,027	183.3725	\$9,508	172.7471	\$9,244	172.1293	\$9,449	170.6990	\$9,614	+1.8%
27447	180.3081	\$8,609	179.2409	\$8,774	179.6492	\$8,967	179.7859	\$9,322	169.2021	\$9,054	168.6055	\$9,255	166.7760	\$9,393	+1.5%
PFS³															
27130	36.0896	\$1,415	34.8931	\$1,322	33.5983	\$1,277	38.39	\$1,300	38.63	\$1,264	38.93	\$1,259	34.78 ⁴	\$1,167	-7.3%
27447	36.0896	\$1,413	34.8931	\$1,320	33.5983	\$1,276	38.35	\$1,299	38.57	\$1,262	38.88	\$1,257	34.72	\$1,165	-7.3%

¹ **National Payment Amount** – Projected by CMS of the baseline amount that will be paid nationally for the MS-DRG. This amount **DOES NOT INCLUDE** facility-specific calculation of teaching, disproportionate share, capital, and outlier payments for all cases. See footnote 2.

² Assumes hospital with wage index greater than 1.0 that reported quality data and is a meaningful EHR user.

³ **National Average Payment Amount** – Local variations in the Medicare Geographic Practice Cost Index applied to procedure RVUs lead to higher or lower amounts depending on region.

⁴ **Conversion Factor** – The 2026 Conversion Factor includes a one-time 2.5% increase as enacted by the One Big Beautiful Bill Act of 2025 resulting in a level of \$33.59. This is the conversion factor for “Qualified Participants” treating patients through Medicare Advantage or CMS-sponsored Advanced Alternative Payment Models. The 2026 Conversion Factor for non-Qualified Participants is \$33.42.