

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 | Weight/RVUs | Rate | Weight/RVUs | Rate | Weight/RVUs | Rate | 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% |
| PFS ³ | | | | | | | | | | | | | | | |
| 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 Conversation 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.