



H.R. 4848 - THE HEALTHY INPATIENT PROCEDURES ACT

In November of 2015, CMS finalized a new Medicare payment model for joint replacement surgery called the Comprehensive Care for Joint Replacement (CJR) model, which began on April 1, 2016. The model targets the most common inpatient surgeries for Medicare beneficiaries: hip and knee replacements, both elective and non-elective, as well as other lower extremity joint replacement procedures and the repair of hip fractures. CJR creates retrospective episodes-of-care payments for these procedures in 67 selected Metropolitan Statistical Areas (MSAs). The stated goal of the model is to encourage hospitals, physicians, and post-acute care providers to work together from the initial hospitalization through 90 days post-discharge to reduce the cost of care and improve quality for lower extremity total joint replacements as well as hip fracture repairs.

The AAOS supports the efforts of all stakeholders to develop and evaluate payment methodologies that will incentivize coordination of care among providers and help curb health care inflation. Additionally, the AAOS embraces change that improves quality and lowers cost, but the patient must always be the primary focus of all initiatives. The model that CMS has introduced requires comprehensive planning and coordination between hospitals, physicians, and post-acute care providers, as well as complete infrastructural support. However, from the date the final rule was released, CMS has given doctors and hospitals less than five months to prepare for the implementation of this complex payment model. **The AAOS believes that full scale implementation of the CJR model on April 1, 2016 is unrealistic and likely to cause disruption to normal patient access and care patterns.**

Why the Healthy Inpatient Procedures Act Matters:

H.R. 4848, the Healthy Inpatient Procedures Act of 2016, would address these concerns by delaying CJR implementation until January 1, 2018. While the program began on April 1, 2016, the bundled payments are awarded retroactively, so there is still time to delay the program and ensure that physicians, hospitals, and post-acute care providers have adequate time to prepare for the onset of this complex payment system. By allowing providers and hospitals the necessary time to adapt, this legislation will ensure that patients can continue to receive the highest quality health care services.

AAOS Recommends:

The AAOS recommends supporting H.R. 4848, the Healthy Inpatient Procedures Act of 2016, into law.