Medicaid Reimbursement for Total Joint Arthroplasty in the United States: Implications For Patient Access to High-Quality Arthroplasty Care

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Introduction: While recent American Association of Hip and Knee Surgeons (AAHKS) advocacy efforts have focused on Medicare physician fee schedule cuts for total hip arthroplasty (THA) and total knee arthroplasty (TKA), few studies have evaluated Medicaid reimbursement. Substantial variability among Medicaid payments between states may have implications for equitable access to quality orthopaedic care. The purpose of this study was to evaluate differences in physician reimbursements by state between patients undergoing TKA or THA with Medicaid insurance compared to Medicare insurance.

Methods: Individual states were queried for publicly available Medicaid physician fees and the Centers for Medicaid and Medicare Services physician fee schedule tool was accessed to report Medicare fees from 2012 to 2022 for primary TKA and THA. All values were reported in 2023 inflation-adjusted dollars. Differences in reimbursement rates were reported, with negative values indicating states in which Medicaid reimbursed less than Medicare. The number and frequency of states with negative reimbursement values were reported over time.

Results: In 2022, 48 states reported Medicaid physician fee schedules, whereas 50 states reported Medicare physician fee schedules. Historical Medicaid data through 2012 was available from 19 states, with additional states reporting over time. In 2012, the average Medicaid reimbursement for TKA and THA was \$1,773.80 and \$1,695.72, respectively, as compared with \$2,031.17 and \$1,901.61 for Medicare. In 2022, the average Medicaid reimbursement for TKA and THA was \$1,316.67 and \$1,325.12, respectively, as compared with \$1,277.96 and \$1,280.13 for Medicare. In 2012, Medicaid reimbursed less than Medicare in 5/19 states (26.3%) for TKA and 15/19 states (78.9%) for THA. In 2022, Medicaid reimbursed less than Medicare in 26/48 states (54.1%) for TKA and in 31/48 states (64.6%) for THA (Figures 1 and 2). In 2022, the state with the highest Medicaid payment relative to Medicare was Arkansas for TKA (+\$1,492.97) and THA (+\$1,492.97), whereas the lowest payment was New York for TKA (-\$738.96) and THA (-\$716.59).

Conclusion: The majority of states reimburse surgeons less for Medicaid than Medicare with wide variability. Although cuts to Medicaid reimbursement have been substantial, they are less steep than recent Medicare cuts. Further evaluation is needed to determine how differences in Medicaid reimbursement by state impact access to high-quality arthroplasty care for this vulnerable patient population.