

***Will Medicare's Bundled Payments Program Threaten Patient Access? Early Experience with BPCI-A (Bundled Payments for Care Improvement-Advanced) for Internal Fixation of the Hip and Femur***

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**INTRODUCTION:**

Numerous iterations of advanced payment models for orthopedic surgery have been trialed in recent years, and the Bundled Payments for Care Improvement Advanced (BPCI-A) initiative is the most current. This model is intended to simultaneously contain costs and improve patient care through reorganization of the perioperative process in tandem with several quality control measures. Additionally, bundle participants take on a substantial financial risk that is balanced against gainsharing.

The goal of this study was to investigate the financial implications of Bundled Payments for Care Improvement Advanced (BPCI-A) for internal fixation of the hip and femur. We aimed to elucidate the differential nonmodifiable, and modifiable characteristics of patients enrolled in BPCI-A for internal fixation of the hip and femur at a single academic institution.

**METHODS:**

A retrospective review of patients with Medicare insurance who underwent internal fixation of the hip or femur at a single academic institution—diagnosis-related groups (DRG) 480-482.

Main Outcome Measurements: Patient characteristics were compared between DRGs. The cost relative to reimbursement was analyzed.

**RESULTS:**

Fifty-two patients were included, with mean age of 76.3±13.7 years (range: 35-101). Pre-injury functional status included independent (n=18, 34.6%), ambulatory with assistive device (n=21, 40.4%), wheelchair dependent (n=12, 23.1%), and bedbound (n=1, 1.9%). There was large variation in cost relative to target reimbursement, ranging from net cost of \$109,718 to net savings of \$39,204. Across all patients, total payments exceeded total target reimbursement, resulting in an estimated loss of \$46,778 to the institution. Median total cost (\$60,077 [IQR: \$45,345-\$78,741]) was lower than median total target price (\$61,339 [IQR: \$61,190-\$66,527]).

**DISCUSSION AND CONCLUSION:**

This is the first analysis of BPCI-A for patients undergoing internal fixation of hip and femur fractures. This patient cohort is highly heterogeneous, with large differences in cost correlated with underlying comorbidities. With current risk stratification, hospitals may be less incentivized to participate in BPCI-A, compromising the goals and sustainability of coordinated value-based care.