## Medicaid Reimbursement for 20 Commonly-Billed Orthopedic Sports Medicine Procedures was 14.9% less than Medicare

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INTRODUCTION: Medicaid reimbursement to orthopedic trauma surgeons is highly variable between states. We sought to assess this variability by evaluating the top 20 most common orthopedic trauma procedures and to compare overall Medicaid to Medicare reimbursement rates.

METHODS: The top 20 most common orthopedic trauma surgery procedural codes were identified. The Centers for Medicare and Medicaid services physician fee schedule was used to determine reimbursement rates from Medicare, and state Medicaid fee schedules were used to determine reimbursement rates for Medicaid. State Medicaid rates were compared to their corresponding Medicare rates to determine a dollar difference and dollar difference per relative value unit. The Medicare Wage Index was used to adjust Medicaid rates based on the cost of living for the state as well. Coefficients of variation were calculated to represent overall variability in Medicaid and Medicare reimbursement rates.

RESULTS: The mean reimbursement rates for Medicaid were lower for all 20 procedures compared to Medicare. Six states consistently reimbursed at a higher rate than Medicare, while 39 states routinely reimbursed at a lower rate. The coefficient of variation ranged from 0.24 to 0.34 for the Medicaid unadjusted group and from 0.35 to 0.44 for the Medicare Wage-Index adjusted group. In contrast, the Medicare group was consistent at 0.06 for all 20 procedures. The dollar difference for Medicaid reimbursement compared to Medicare ranged from -\$77 to -\$225, and the dollar difference per relative value unit ranged from -\$5.96 to -\$15.16. On average, Medicaid reimbursed 16.0% less than Medicare, and 29.6% less when adjusting for cost-of-living.

DISCUSSION AND CONCLUSION: This study found a high amount of variation between state Medicaid reimbursement rates and average rates that were significantly lower than Medicare reimbursement rates for all 20 procedures. The discrepancy in reimbursement was increased when Medicaid rates were adjusted for state cost-of-living. With such a wide disparity in reimbursement between Medicare and Medicaid payment to physicians, it is important to emphasize the demonstrated need for an updated approach to physician and surgeon reimbursement which adequately rewards high-value care for all patients, ensuring that all providers are equitably compensated for their work.





