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INTRODUCTION: It has previously been demonstrated that utilization of ambulatory surgery centers (ASCs) results in cost savings and improved outcomes. Despite these benefits, Medicare reimbursement for professional fees at ASCs are decreasing over time. In this study, we sought to analyze the discrepancy between facility fee and professional fee reimbursements for ASCs by Medicare for common shoulder procedures over time.

METHODS: Current Procedural Terminology (CPT) codes were used to identify shoulder specific procedures approved for ASCs by CMS. Procedures were grouped into arthroscopic and open categories. Publicly available data from CMS was accessed via the Medicare Physician Fee Schedule Lookup Tool and used to determine professional fee payments from 2018-2024. Additionally, Medicare ASC Payment Rates files were accessed to determine facility fee reimbursements to ASCs from 2018-2024. Descriptive statistics were used to calculate means and percent change over time. Compound annual growth rates (CAGR) were calculated and discrepancies in inflation were corrected for using the Consumer Price Index.

RESULTS: A total of 33 common shoulder procedures were included for analysis (17 arthroscopic codes and 16 open codes). Reimbursements for facility fees have remained significantly higher than corresponding professional fees for both open and arthroscopic procedures ($p<0.01$). On average, facility fee reimbursements for arthroscopic surgeries have risen on an annual basis in a manner consistent with inflation ($p=0.764$). For open procedures, facility fee reimbursements have outpaced inflation ($p=0.016$). However, professional fees for both arthroscopic and open procedures have experienced nearly uniform decline over the study period both nominally and in inflation-adjusted dollars ($p=0.036$ and $p=0.003$, respectively).

DISCUSSION AND CONCLUSION: Facility fee payments for outpatient approved shoulder surgeries have matched or outpaced inflation. Over the same time period, professional fee reimbursements for surgeons are decreasing at an alarming rate, both in absolute and inflation-adjusted dollars. Reform to the physician fee schedule is necessary to ensure that Medicare patients retain access to high-quality physician care.

Category	Number of Codes	2024 Reimbursement	p-value
Arthroscopic Procedures			
ASC Facility	17	\$2,769.82 ± \$118.45	<0.001
Professional	17	\$751.09 ± \$192.96	
Open Procedures			
ASC Facility	16	\$3,935.05 ± \$1457.56	<0.001
Professional	16	\$891.01 ± \$104.70	

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