Medicare Reimbursement Trends for Common Lower Extremity Fractures: 2006-2024

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INTRODUCTION:
The Centers for Medicare & Medicaid Services (CMS) has prioritized value-based initiatives aimed at improving quality driving down healthcare costs. With this goal in mind CMS has repeatedly cut reimbursement to surgeons for operative management of fractures which has further been exacerbated by historically high inflation rates. This study aims to assess the reimbursement trends for the five most common lower extremity (LE) trauma procedures over an 18-year period. By understanding these trends, we can identify strategies to maintain financial viability while providing high-quality care for patients.
METHODS:
Reimbursement data was obtained from the Centers for Medicare & Medicaid Services Physician Fee Schedule, while procedure frequencies were analyzed using the M161Ortho dataset from PearlDiver Technologies. Five representative CPT codes were selected for detailed analysis. Reimbursement rates were adjusted for inflation to 2024 US dollars. Statistical analysis was performed using SPSS, and projections were developed based on the mean ± SD values from 2020-2024.
RESULTS: From 2006 to 2024, nominal work reimbursement rates for the selected LE trauma procedures exhibited variable trends, with most rates experiencing declines. CPT-28485 (open treatment of metatarsal fracture) increased by 14.65%, from $216.02 to $247.66. However, the other four procedures experienced declines, with CPT-27814 (open treatment of bimalleolar ankle fracture) showing the largest decrease of 12.49%, from $403.99 to $353.51. When adjusted for inflation, all five procedures showed declines, with an average decrease of 36.36%. The adjusted reimbursement rates in 2024 ranged from a 25.99% decrease for CPT-28485 to a 43.51% decrease for CPT-27814 compared to the adjusted rates in 2006. Projections for 2029 suggest further declines across all procedures, with the negative outlook scenario indicating an average decrease of 53.82% compared to the 2006 adjusted rates.
DISCUSSION AND CONCLUSION: Despite a 55% cumulative inflation rate, the adjusted average reimbursement for lower extremity trauma procedures has decreased by 36% since 2006, posing significant challenges for patient care and provider sustainability.

Table. Adjusted and unadjusted Work reimbursement rates in 2006 and 2024, percent changes, and projections in 2029 for all selected CPT codes. (Five-year projections in 2024 $ are based on the 2019-2024 values)
Table CPT-27236: Open treatment of femoral fracture, proximal end; CPT-27814: Open treatment of bimalleolar ankle fracture; CPT-28485: Open treatment of metatarsal fracture; CPT-27506: Open treatment of femoral shaft fracture; CPT-27759: Treatment of tibial shaft fracture

CPT CODE	REIMBURSEMENT RATE IN 2006 (IN 2006 $)	REIMBURSEMENT RATE IN 2006 (IN 2024 $)	REIMBURSEMENT RATE IN 2024 (IN 2024 $)	UNADJUSTED % CHANGE 2006-2024	ADJUSTED % CHANGE 2006-2024	2029 NEGATIVE OUTLOOK	2029 NEUTRAL OUTLOOK	2029 POSITIVE OUTLOOK
CPT-27236	590.44	914.60	586.19	-0.72%	-35.91%	288.89	396.85	504.80
CPT-27814	403.99	625.78	353.51	-12.49%	-43.51%	174.22	239.32	304.43
CPT-28485	216.02	334.61	247.66	14.65%	-25.99%	122.05	167.66	213.27
CPT-27506	660.17	1022.61	654.10	-0.92%	-36.04%	322.35	442.82	563.28
CPT-27759	520.71	806.58	481.00	-7.63%	-40.37%	237.05	325.63	414.22
AVERAGE				**-1.42%**	**-36.36%**			