March 11, 2016

Will Hospital Ration Hip And Knee Replacement?

On April 1, 800 hospital systems in 67 metro areas must participate in a Medicare experiment on patients getting hip and knee joint replacements. The hospitals will be given “bundled payments” to cover all care regardless of how expensive it turns out to be. These dollars must also be used to care for most other conditions of the patient for 90 days.

If hospitals spend too much, they must pay the government back. One provider of medical supplies who participated in a similar but voluntary program is dropping out. The government can’t give them any meaningful data. Expect abysmal performance for hips and knees too, but hospitals can’t drop out.

“Universal Health Services may exit bundled payment test,” Melanie Evans, Modern Healthcare, February 27, 2016.