

### Medicaid Payments for Fracture Repair Surgery Lag Behind Medicare Rates in a National Comparison

Dane Brodke, MPH<sup>1</sup>; Saam Morshed, MD, PhD

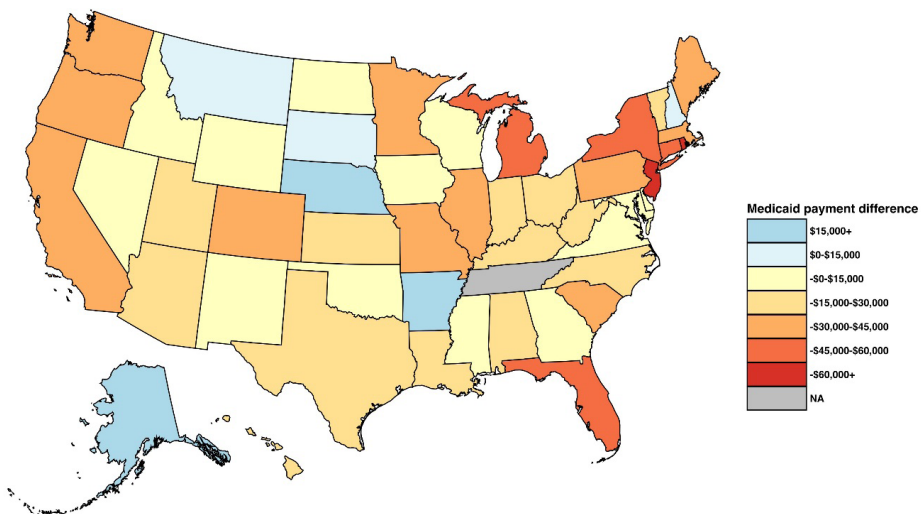
<sup>1</sup>University of California San Francisco, San Francisco, California, USA

**Purpose:** Medicaid is the largest health insurer in the US, yet the program is administered on the state level and reimbursement rates are highly variable. Medicare rates provide a robust comparator because they are determined nationally and often serve as a basis for calculating private insurer payments.

**Methods:** Reimbursements for 10 frequently billed fracture repair surgeries were compared between Medicaid and Medicare in each state. A Medicaid-to-Medicare fee index was calculated to show the percentage difference in reimbursement. An impact analysis demonstrated the gap in total payment between the two payers for 100 surgeries of typical case mix. Medicaid-Medicare fee differences were normalized by work relative value units (wRVUs) to demonstrate variation across procedures in reimbursement per unit of work.

**Results:** On average, Medicaid rates were 20% lower than Medicare rates with the gap in reimbursement for 100 procedures of typical case mix ranging from -\$81,267, in New Jersey, to +\$38,663, in Alaska (Figure 1). When fee differences were normalized by wRVUs, there was still wide variation across procedures in the size of the average Medicaid discount. The average Medicaid discount for surgical treatment of proximal humeral fracture was \$19 per wRVU, but the average discount for surgical treatment of femoral neck fracture was \$12 per wRVU.

**Conclusion:** The Medicaid-authorizing statute decreed that Medicaid reimburse at rates that are “sufficient to enlist enough providers” to provide equal access to care. Our findings call into question the extent to which reimbursements for operative fracture care are sufficient to ensure equal access in every state.



The FDA has stated that it is the responsibility of the physician to determine the FDA clearance status of each drug or medical device he or she wishes to use in clinical practice.

POSTER ABSTRACTS