

# Paper #28

## Out-of-Network Facility Charges for Patients Undergoing Outpatient Total Joint Arthroplasty

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**Introduction:** The utilization of both outpatient (OP) total joint arthroplasty (TJA) and ambulatory surgery centers (ASC) continues to rise. While many arthroplasty surgeons and hospitals have longstanding agreements with commercial insurance companies, it may take time for ASCs to establish in-network agreements. The purpose of this study was to investigate trends in out-of-network facility charges for patients undergoing OP-TJA as well as to compare rates of out-of-network facility between ASC and hospital-based OP-TJA.

**Methods:** This was a retrospective study of the MarketScan® commercial-claims database of all episodes of OP-TJAs from 2007-2017. Outpatient was defined as same-day discharge surgery. Detailed demographic, geographic, operative, insurance, temporal, and financial details were collected. Rates of out-of-network facility charges were trended over time with Cochran-Armitage trend tests. Chi-squared tests and logistic regressions controlling for year were used to compare the prevalence of out-of-network facilities between ASC and hospital-based OP-TJA.

**Results:** There were 23,076 OP-TJAs (65% TKA). The proportion of OP-TJAs performed at out-of-network facilities significantly decreased over time, from 17.0% in 2007 to 7.6% in 2017 ( $p < 0.001$ ). In 5.8% of cases that the surgeon was in-network, the hospital was not; in 0.4% of cases that the hospital was in-network, the surgeon was not ( $p < 0.001$ ). Patients undergoing OP-TJA at ASCs were significantly more likely to experience out-of-network facility charges than those undergoing OP-TJA at hospitals (15.1% vs. 6.7%,  $p < 0.001$ ). Results held across all years ( $p < 0.001$ , 2007: OR 2.22 [95%CI 1.03-4.755]; 2017: OR 2.4 [95%CI 1.79-3.2]).

**Conclusions:** While rates of out-of-network facility charges are decreasing with time, approximately 6% of patients receiving care by in-network surgeons face out-of-network facility charges, which may often come as a surprise. As OP-TJA is often more cost-effective in appropriate patients, insurance companies should work to expedite contracting with ASCs.

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