

Performing Joint Replacements in Ambulatory Surgery Centers Could Help 500,000 People Avoid Overnight Hospital Stays and Save \$3 Billion Annually

More than 1.2 million hip and knee replacement surgeries were performed in the United States in 2019.¹ This number is expected to grow steadily over the next decade—driven by an aging population, advanced arthritis, and demand for improved mobility.² Hospitals performed approximately 90 percent of joint replacement surgeries for privately insured individuals in 2018 and nearly all joint replacements for Medicare beneficiaries—and nearly 90 percent of these hospital surgeries were performed on an inpatient basis, requiring an overnight stay.³

Hospital-acquired infections have long been a patient safety challenge. Hospital patients can contract a range of infections, often following surgical procedures or the use of hospital equipment.

- 3 to 4 percent of hospital patients contract infections,⁴ including surgical site infections following 1 to 2.5 percent of hospital joint replacements.⁵

As a result of surgical site infections, up to 26,000 joint replacement patients each year face additional treatment, longer hospital stays, and potential disabilities and lost wages.⁶ Up to 800 of these patients die from their infections each year.⁷ While many hospital patients are at higher risk of infections, many hospital-acquired infections are considered preventable.⁸

1.2 Million
Joint Replacement Surgeries in 2019



90%
took place
in hospitals

The Opportunity for Safe, High-Quality Outpatient Joint Replacement Surgeries

Many joint replacement patients do not require hospital inpatient stays. Performing hip and knee replacements on an outpatient basis and discharging patients on the same day when strong protocols are in place does not increase the risk of complications or readmissions compared to patients who have the same surgeries and stay overnight.⁹ Safe, evidence-based patient identification for outpatient joint replacement surgeries is achievable through assessments of three main criteria: the presence and severity of comorbidities; social factors, including home environment and the presence of caregivers; and patient motivation.¹⁰

Optimizing the Practice of Medicine and the Patient Experience

Ambulatory Surgery Centers (ASCs) with established joint replacement programs are operating safe, scalable models that achieve high-quality results by optimizing knee and hip replacement surgeries for both patients and physicians. Their approach—built on specialization, repetition, and scale, while allowing specific flexibilities for surgeons—improves outcomes by increasing consistency. Key elements of this approach include:

- Care pathways specific to joint replacement patients help ensure each component of the surgical intervention—including pre-operative preparation and post-discharge planning—is optimally defined, sequenced, and executed.
- Physicians operate with teams consisting of their preferred surgical technicians and nurses.
- Operating rooms are customized for surgeons and their teams.

Ultimately, ASCs can deliver a focused model for joint replacements and other high-volume surgeries, providing a consistent and controlled environment that avoids the challenges and inefficiencies of delivering many different surgical and medical services.

Case Study: Surgical Care Affiliates

Surgical Care Affiliates (SCA) is a UnitedHealth Group company that operates over 230 ASCs nationwide and performs over one million surgeries each year, including joint, spine, and cardiovascular procedures. SCA offers an example of the results that can be achieved by outpatient joint replacement programs. At those ASCs performing at least 25 joint replacements in 2019, for every 1,000 patients receiving a hip or knee replacement in 2018 or 2019:¹¹

- 993 patients (99.3%) completed an infection-free surgery and were discharged without requiring a hospital visit.
- 4 patients (0.4%) required a hospital visit within 24 hours of discharge, including visits for underlying conditions.
- Fewer than 3 patients (0.3%) developed a surgical site infection.

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Cost-Effective Outpatient Joint Replacement Surgeries

When routine joint replacements for privately insured individuals are delivered in ASCs instead of hospital inpatient settings, costs for the episode of surgery and related care are:¹²

- 20 percent lower for hip replacements, savings per surgery of \$6,700
- 17 percent lower for knee replacements, savings per surgery of \$5,700

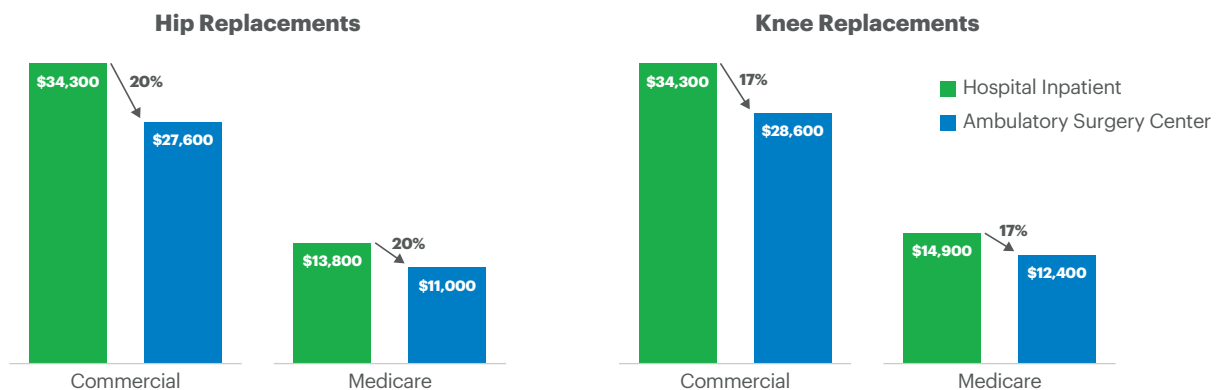
Allowing ASCs to perform more routine joint replacements for Medicare beneficiaries, and adjusting Medicare payments per episode of care to reflect the savings captured by ASCs for privately insured individuals, would produce:¹³

- Medicare savings of \$2,800 per hip replacement
- Medicare savings of \$2,500 per knee replacement

With increased ASC capacity and evidence-based patient identification, if half of routine hip and knee replacements performed in hospitals on an inpatient basis were delivered in ASCs:¹⁴

- More than 500,000 surgery patients each year would avoid staying overnight in a hospital.
- \$3 billion would be saved annually, including:
 - \$2 billion in savings for privately insured individuals and employers
 - \$1 billion in savings for Medicare beneficiaries and the federal government

Joint Replacement Surgeries: Costs and Potential Savings, 2018



Methodology and sources for citations are available at: www.uhg.com/ambulatory-surgery-centers-research.