

## Blue Distinction Centers for Knee and Hip Replacement 2025 Evaluation Components

### Blue Distinction

Blue Distinction Specialty Care is a national designation program, awarded by local Blue Cross and Blue Shield (BCBS) companies, recognizing healthcare providers that demonstrate expertise in delivering quality and affordable health care to meet consumers' specialty care needs—safely, effectively, and cost-efficiently. The goal of the program is to help patients find both quality and value for their specialty care needs, while providing a credible foundation on which employers may customize their employee benefits.<sup>1</sup>

### Blue Distinction Centers for Knee and Hip Replacement

The 2025 Blue Distinction Centers for Knee and Hip Replacement program (Program) will evaluate acute care hospitals and ambulatory surgery centers (ASC) that offer elective total knee replacement and total hip replacement services for adult patients (ages 18 and over) with degenerative disease.

- Applicant facilities will be evaluated using quality outcomes from the American Academy of Orthopaedic Surgeons (AAOS) American Joint Replacement Registry (AJRR). Applicants that do not currently participate in AJRR will be required to do so for all future designation evaluations under this Program. Meanwhile, the Provider Survey, for this Program's 2025 designation evaluation allows applicants an alternative to provide self-reported quality outcomes, like those collected and reported in AJRR.
- Applicant facilities will be evaluated on their participation in an advanced certification program for orthopedic or joint surgery. Participation may be a requirement for future designation evaluations under this Program.

The following information explains how quality, business and cost of care evaluation components will be used to evaluate an applicant facility. Final selection criteria for quality, business, and cost of care, including specific scoring thresholds and other details required for eligibility for this Program will be published separately and posted publicly at [www.bcbs.com](http://www.bcbs.com).

**Note:** Designations are awarded to individual facilities (i.e., unique bricks-and-mortar facilities with unique addresses). Each location within a provider group or health system will be evaluated and designated separately.

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<sup>1</sup> Benefit design is determined independently by the local Blue Plan and is not a feature of any Blue Distinction program. Blue Cross Blue Shield Association is an association of independent Blue Cross and Blue Shield companies.

## Quality

Blue Distinction Specialty Care programs establish a nationally consistent approach to evaluating quality and safety, by incorporating quality measures with meaningful impact, and using selection criteria that evolve over time with medical and quality measurement advances in that specialty area.

The following components are evaluated to determine if the applicant facility and its program meet the quality selection criteria for this Program:

Blue Distinction Centers for Knee and Hip Replacement Surgery		
Quality Evaluation Components		
Quality Domain	Quality Data Source	Quality Evaluation Component
<b>General Facility Structure</b>	Provider Survey	<ul style="list-style-type: none"> <li>National Accreditation</li> <li>Demographic Data Collection and Reporting</li> <li>Process Improvement Initiatives</li> <li>Patient Perception of Care Evaluation Process</li> <li>Staff Training – Unconscious Bias Training</li> </ul>
<b>Knee and Hip Replacement Program Structure and Process</b>	Provider Survey	<ul style="list-style-type: none"> <li>Advanced Certification</li> <li>Enhanced Recovery After Surgery Program Practices</li> <li>Depression and Substance Use Disorder Screening</li> </ul>
<b>Knee and Hip Replacement Program Procedure Volume*</b>	Provider Survey	Facility reported procedure volumes for adults ( $\geq 18$ years of age), including: <ul style="list-style-type: none"> <li>Total Knee Replacements</li> <li>Total Hip Replacements</li> <li>Revision Procedures</li> </ul>
<b>Knee and Hip Replacement Program Outcomes</b>	American Joint Replacement Registry (AJRR) or Provider Survey	<ul style="list-style-type: none"> <li>Unplanned All-Cause Readmission (for Hospitals) or Admissions (for ASCs)</li> <li>90 Day Major Complication Composite**</li> <li>90 Day Postoperative Mortality</li> <li>Preoperative Functional/ Health Assessment Status Inpatient (THKR-IP-4)</li> <li>Postoperative Functional/ Health Assessment Status Inpatient (THKR-IP-5)</li> <li>Preoperative Functional/ Health Assessment Status Outpatient (THKR-OP-4)</li> <li>Postoperative Functional/ Health Assessment Status Outpatient (THKR-OP-5)</li> </ul> <p>➤ Data will be collected by Race and Ethnicity and overall patient outcomes for each measure listed above.</p>

<b>Local Plan Criteria (LPC) – Quality Criteria*** (If applicable)</b>	Plan Survey	An individual Blue Plan, at its own independent discretion, may establish and apply local Blue Plan quality requirements as additional Selection Criteria for eligibility in a Blue Distinction Centers program, for facilities located within its Service Area.
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\*The required minimum number of cases will be determined through analytic methodologies after provider responses are received. These calculations are heavily influenced by statistical analysis factors, such as event rates and distributions, which cannot be assessed accurately until all data are available for analysis.

\*\*90 Day Major Complication Composite rate includes: 1) surgical site infection, 2) deep vein thrombosis (DVT), 3) pulmonary embolism (PE), 4) mechanical complication, and/or 5) return to operating room/reoperation related to primary procedure.

\*\*\* Local Plan Criteria may consist of additional quality criteria beyond the national selection criteria, at the discretion of the local Blue Plan.

## Business

The following components are evaluated to determine if the applicant facility and its program meet the business selection criteria for this Program:

<b>Blue Distinction Centers for Knee and Hip Replacement Surgery Business Evaluation Components</b>		
<b>Business Domain</b>	<b>Business Data Source</b>	<b>Business Evaluation Component</b>
<b>Facility PPO Participation</b>	Plan Survey	Participation by Facility in the local Blue Plan's BlueCard Preferred Provider Organization (PPO) Network.
<b>Surgeon PPO Participation*</b>	Plan Survey	Participation by surgeons who perform total knee and total hip replacement surgery procedures in the local Blue Plan's BlueCard Preferred Provider Organization (PPO) network.
<b>Blue Brands Criteria</b>	Blue Brands Review	Facility and its corporate family meet BCBSA criteria for avoiding conflicts with BCBSA logos and trademarks.
<b>Local Plan Criteria (LPC) – Business Criteria** (If applicable)</b>	Plan Survey	An individual Blue Plan, at its own independent discretion, may establish and apply local Blue Plan business requirements as additional Selection Criteria for eligibility in a Blue Distinction Centers program, for facilities located within its Service Area.

\*Any de minimis exception will be considered on an individual case basis, through a nationally consistent approach.

\*\*Local Plan Criteria may consist of additional business criteria beyond the national selection criteria, at the discretion of the local Blue Plan.

## Cost of Care

Cost of care measures are incorporated into the selection criteria to provide a nationally consistent, equitable, and objective evaluation.

For BDC+ designation, the facility must meet the Cost of Care Selection Criteria as well as the Quality and Business Selection Criteria. Additionally, a local Blue Plan may establish additional cost criteria beyond the national selection criteria, at the discretion of the local Blue Plan.

The cost of care evaluation is based on a nationally consistent analysis of the Blue Plans' Healthcare Claims Data. The scope of this analysis includes:

### **Cost Data Source**

Each facility's cost of care is calculated using adjusted allowed amounts for specific total knee and total hip replacement episodes of care. The methodology sums all costs incurred during an episode of care (including facility, professional, and other costs related to the total knee and total hip replacement episode).

### **Adjustments**

Total knee and total hip replacement episode costs may be adjusted for patient-level risk factors, including co-morbidities. Additionally, a geographic adjustment factor may be applied to each episode to account for geographic cost variations in delivering care. Other adjustments such as a site of service adjustment may be applied, where appropriate, to account for differences related to patient care settings or other factors.

### **Deriving a Cost Measure and Setting the Cost Threshold**

Costs are aggregated and conformed to a facility cost index for each procedure type. In calculating facility costs, statistical outlier trimming or winsorizing may be applied to prevent facility costs from being skewed due to a few outlier cases. Each facility cost index is determined relative to the national distribution of the facility measures. Facility level cost indices are then evaluated in comparison to a National Cost Threshold for each procedure type, which is established with consideration for both geographic accessibility and cost savings.

### **Local Plan Criteria – Cost of Care (if applicable)**

Local Plan Criteria may consist of additional cost criteria beyond the national selection criteria, at the discretion of the local Blue Plan.

### **Use of Facility-level Cost Information**

After the BDC Participation Agreement for an eligible facility has been fully executed, information displayed on Blue Distinction's public website at [www.bcbs.com](http://www.bcbs.com) will confirm that the facility is designated as a BDC or BDC+ and that it met the Program's transparent national selection criteria. BCBSA may share a facility's individual Provider Survey responses (Raw Data) and results (Scores) with Blue Plans and, pursuant to a confidentiality agreement, their respective current and prospective accounts, for purposes of evaluation, care management, quality improvement, and the local Blue Plan's design of customized products and networks. BCBSA may combine a facility's Raw Data and Scores together with other facilities' data to create aggregate information for public dissemination; provided, that such aggregate information will not identify the facility by name and will not contain any Protected Health Information (PHI).