What are the financial costs involved in treating a patient for a hip fracture in England?

Martyn Parker
Peterborough
What is the cost of treating a hip fracture?
(all prices in this talk are corrected to 2013)

Hollingworth and Parker 1993 £9940
French et al 1995 £6724
Lawrence and Moran 2005 £1,6740

Breakdown of costs

Hospital stay 84%
Theatre costs 9%
Laboratory costs 4%
Radiology 3%
What does the hospital receive for treating a hip fracture?

In early times

Hospital episode coding of patient (HES)

then

Hospital received payment for this coding

Extracapsular fracture treated with a DHS. Coded W19.1 received £4,635 in 2006
Current system

• Very complicated
• Keep changing
• Varies between hospitals
• Understood by few
HES code converged to HRG (health related group) code

<table>
<thead>
<tr>
<th>Procedure</th>
<th>HES</th>
<th>HRG</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hemiarthroplasty</td>
<td>W46.1</td>
<td>HA12C</td>
<td>£6392</td>
</tr>
<tr>
<td>Cemented THR</td>
<td>W31.1</td>
<td>HA12C</td>
<td>£6392</td>
</tr>
<tr>
<td>Hybrid THR</td>
<td>W93.1</td>
<td>HA11C</td>
<td>£6666</td>
</tr>
<tr>
<td>Dynamic hip screw</td>
<td>W19.1</td>
<td>HA13C</td>
<td>£5695</td>
</tr>
<tr>
<td>Intramedullary nail</td>
<td>W24.2</td>
<td>HA13C</td>
<td>£5695</td>
</tr>
</tbody>
</table>
Supplement for CC’s
(Co-morbidities and complications)

Diabetes mellitus
Dementia
Hyperkalaemia
Delirium
Pneumonia
Stroke
Sepsis
Pressure sores

Arthroplasty - £6392 increased to £8509 for and CC’s

Dynamic hip screw – £5695 increased to £7096 for major CC’s
Dynamic hip screw – £5695 increased to £5696 for minor CC’s
Supplement for long stay (trim factor)

Arthroplasty without CC and a stay of more than 29 days
- get an additional £239 per day thereafter

Arthroplasty with CC if stay more than 52 days
- get an additional £239 per day thereafter

Dynamic hip screw without CC and a stay of more than 29 days
– get an additional £239 per day thereafter

Dynamic hip screw with intermediate CC and a stay of more than 35 days
– get an additional £239 per day thereafter

Dynamic hip screw with major complications and a stay of more than 60 days
– get an additional £239 per day thereafter
Local hospital supplement

More for hospital in London and teaching hospitals
Less for peripheral hospitals

For Peterborough is 6.02%

Hemiarthroplasty without CC or long stay
£6392 becomes £6776
Best Practice tariff

Currently £1335

But only achieved for on average 50-60% of patients on NHFD

+ Not received for 5-10% of patient not on the NHFD

+ Administration cost of data collection (about £50 per patient)

Gives on average £600 per patient

Criteria for best practice tariff

- Agreed protocol
- Joint care
- Surgery within 36 hours
- Assessment within 3 days
- Fracture prevention assessment
- Mental health assessments
- Data submitted to NHFD
End result is

<table>
<thead>
<tr>
<th>Procedure Description</th>
<th>Basic</th>
<th>With hospital Hospital Uplift</th>
<th>With best practice tariff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closed reduction and Internal fixation of intracapsular fracture</td>
<td>£1513</td>
<td>£1607</td>
<td>£2892</td>
</tr>
<tr>
<td>Open Reduction and internal fixation of intracapsular fracture OR DHS fixation OR IM nail</td>
<td>£5695</td>
<td>£6038</td>
<td>£7323</td>
</tr>
<tr>
<td>Hemiarthroplasty OR Total hip replacement</td>
<td>£6392</td>
<td>£6776</td>
<td>£8061</td>
</tr>
</tbody>
</table>

Add in extra £1 to £2814 for co-morbidities and complications + possible extra if very long stay
Has the total tariff for hip fractures increased in recent years?

These figures from DOH corrected to 2013 prices and including ‘average’ achievement of best practice tariff.
Does the hospital make money from hip fracture patients?

Hospital cost of treating a patient are approximately £10,000

Tariff hospital receives is approximately £6000 to £9000

So is a loss of approximately £2500 for each hip fracture treated

Most costs are associated with hospital stay, so if hospital stay were reduced from the current average of 21 days to about 16 days the hospital may be breaking even
Summary

Hospitals are making a loss from treating hip fractures

Today's speakers will try to give ideas of how to apply best care to minimise this financial loss to our hospitals

Good care for hip fracture patients will save money