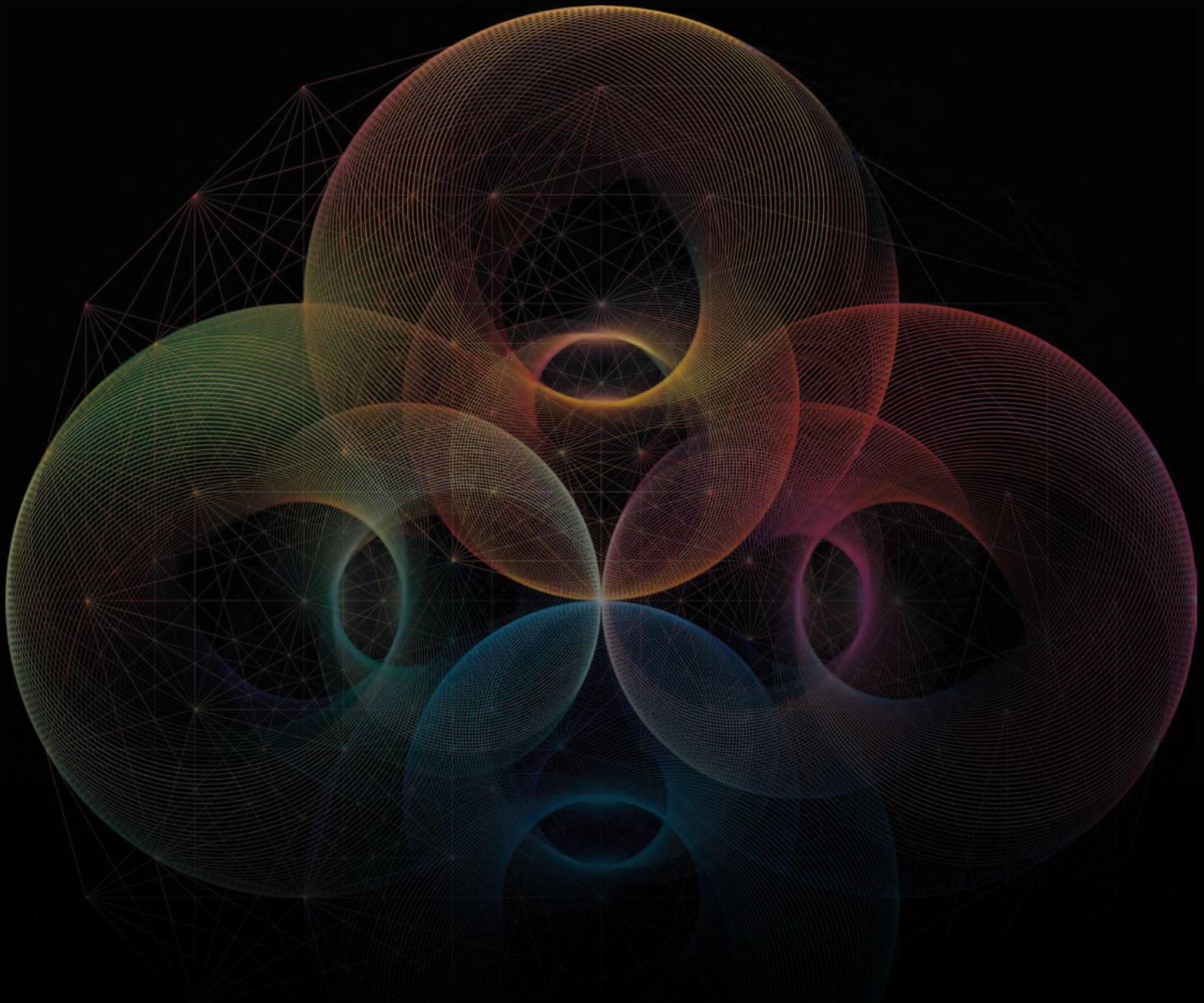


# Emerging Trends in MSK Site of Care: Outpatient Growth, Patient Readiness, Smarter Utilization Management

The WNS-HealthHelp MSK Clinical Review Committee

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The site of care conversation in Musculoskeletal (MSK) procedures, particularly Total Knee Arthroplasty (TKA) and Total Hip Arthroplasty (THA), is entering a decisive new phase. What began as a cost-management lever, driven by payer pressure and reimbursement shifts, has matured over a decade into a clinically grounded, outcomes-focused strategy that is re-defining how care is delivered, assessed and authorized.

This evolution is being shaped by multiple factors, from clinical advances to more proactive, collaborative Utilization Management (UM) and emerging value-based care models. As a result, outpatient settings are no longer the exception. They are fast becoming the benchmark for appropriate care in a growing share of MSK procedures among clinically suitable patients.

The implications go further: Site of care is no longer just about where a procedure happens, but also about when a patient is ready for it. Clinical readiness, risk stratification and patient outcome optimization are now central to decision-making.

## 4 Key Drivers of the MSK Site of Care Shift

The migration of TKA and THA procedures to outpatient settings is not the result of a single policy or cost initiative but the outcome of multiple converging forces.

### 1. The Pandemic: an Inflection Point

The transition toward outpatient MSK procedures was already underway, but the COVID-19 pandemic accelerated it dramatically.<sup>1</sup> Patients avoided hospitals due to infection risk, while outpatient surgery centers rapidly scaled to meet demand. At the same time, payers, providers and UM organizations were forced to re-assess care pathways based on real-world outcomes, safety and cost. What emerged was not a temporary workaround, but a validation: Many MSK procedures could be performed safely, and often much more effectively, in an outpatient setting.

### 2. A Patient-driven Cultural Shift

Since the pandemic, the site of care movement has evolved into something far more patient-driven. Patients increasingly express preference for outpatient care that includes:

- Recovering in their own homes
- Managing their own pain control
- Re-gaining mobility in familiar environments

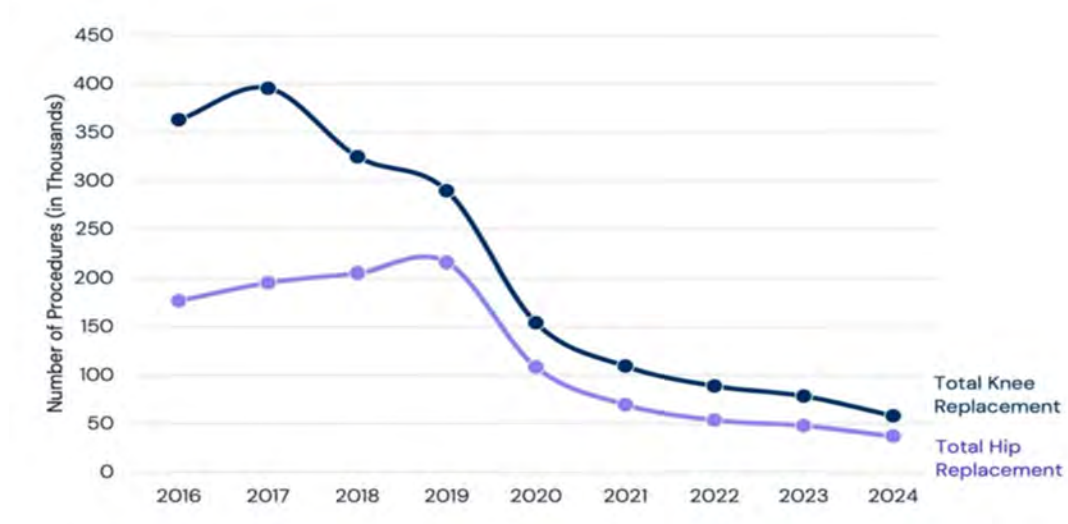
This shift has progressed steadily. In less than a decade, both TKA and THA have transitioned from nearly 100 percent inpatient procedures to a rapidly expanding outpatient model, as exhibited by the massive decline in inpatient procedures in Figure 1.<sup>2</sup> What was once optional has become the standard of care through cultural adoption.

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<sup>1</sup> [New Research Shows Rapid Shift of Total Joint Surgeries to Outpatient - ASC Focus Magazine](#)

<sup>2</sup> [2025 Trends Shaping the Health Economy | Trilliant Health.pdf](#)

**Figure 1. Inpatient Total Hip and Knee Replacements, 2016-2024**



Importantly, this shift aligns with clinical realities. Early patient mobilization after joint replacement like standing, walking and resuming movement immediately has been proven to improve outcomes. In many cases, patients recover more effectively when they are active participants in their own care.

*What began as a cost-management strategy has evolved into a clear patient preference.*

**3. Medicare and Policy Evolution**

Medicare has played a critical role in accelerating the site of care transition by removing long-standing barriers to outpatient care.<sup>3</sup> Medicare policies now support same-day discharge and more flexible post-acute pathways, including direct transfer to rehabilitation when needed.

However, policy has largely been reactive, not proactive. The shift toward outpatient care was driven firstly by clinical feasibility and then by patient demand. Medicare and other payers have followed by adapting reimbursement and coverage frameworks to align with these trends.

**4. Clinical Advances**

Another significant enabler of outpatient MSK procedures has been clinical innovation. Advances in pain management, including longer-acting nerve blocks, have dramatically reduced the severity of post-operative pain during the critical first few days.<sup>4</sup> This has eliminated one of the primary barriers to outpatient recovery. At the same time, the approach to patient selection has evolved:

Traditional Model	Emerging Model
Identify ideal vs. non-ideal candidates	Optimize patients to become ideal candidates

<sup>3</sup> Total knee arthroplasty in the outpatient vs inpatient settings: impact of site of care on early postoperative economic and clinical outcomes

<sup>4</sup> The Efficacy and Safety of Regional Nerve Blocks in Total Knee Arthroplasty: Systematic Review and Direct Meta-Analysis - PubMed

In the emerging model, optimizing patient health involves a broad set of interventions, such as improving diabetes control (A1C), structured smoking cessation and weight loss strategies (including GLP-1 therapies). The focus is shifting from assigning patients to a site of care to ensuring they are clinically ready for the safest and most effective setting.

## The Changing Role of Utilization Management

As site of care strategies evolve, UM is becoming an intelligent, clinically integrated decision framework. Rather than relying solely on static criteria, modern UM approaches combine evidence-based guidelines, data-driven insights and clinical expertise into a proactive, collaborative model. This reduces unnecessary risk, supports providers in prioritizing patients and ensures site of care decisions are aligned with both clinical mandates and long-term outcomes.

### Site of Care as a Safety Strategy

One of the most important, and often misunderstood, realities is that outpatient care is not only less expensive but also, in many cases, safer. With hospital-acquired infection remaining the most serious complication in joint replacement surgery, care often involves:

- Multi-stage revision procedures
- Extended recovery periods, lasting a year or more
- Significant impact on the patient's quality of life

Outpatient joint replacement procedures have lower rates of hospital-acquired complications than longer inpatient care stays, and as always, patient safety is determined by several individual factors.<sup>5</sup>

### When Surgery May Not Be the Right Answer

A more challenging, and increasingly important, insight is emerging: Some individuals may not be appropriate candidates for surgery. Patients with conditions such as poorly controlled diabetes, significant obesity and advanced cardiac conditions face substantially higher risks of complications, particularly infection. In some cases, these risks may outweigh the potential benefits of surgery.

This represents a fundamental shift in thinking. Historically, higher-risk patients were directed to inpatient settings. Moving forward, the focus may shift toward:

- Optimizing the patients' health before surgery
- Delaying intervention until risk is reduced
- Reconsidering surgery, especially if it could be harmful to the patient

### Utilization Management as a Clinical Guardrail

Traditional UM models focused on approving or denying procedures and determining appropriate site of care. The emerging model is more nuanced and includes:

- Guiding patient-optimization pathways
- Establishing criteria for readiness, such as A1C thresholds and BMI targets
- Supporting evidence-based clinical decision-making

Rather than acting as a gatekeeper, UM becomes a clinical guardrail that ensures care is delivered at the right time, in the right setting, under the right conditions.

***Proactive provider collaboration in UM supports safety and procedures that have the most meaningful impact on life.***

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<sup>5</sup> [AAHKS-Outpatient-Position-Statement-2024.pdf](#)

## Conclusion

The evolution of site of care in MSK is not simply a story of cost reduction or operational efficiency. It reflects deeper changes in clinical practice, patient expectations and the definition of appropriate care. As minimally invasive techniques, anesthesia and recovery pathways advance, outpatient models are expanding rapidly, not only in joint replacement but also in areas such as spine surgery.<sup>6</sup> This signals a broader transition from site of care as a logistical decision to a clinical threshold, with implications for other high-risk procedures.

As health plans and clinical leaders navigate this transformation, the opportunity is clear: Move beyond site of care as a checkbox decision and embrace it as a strategic tool for improving outcomes, reducing harm and ensuring that interventions deliver meaningful value.

In this next phase, success will not be defined by how many procedures are shifted to outpatient settings, but by how effectively we determine which patients are ready to undergo procedures.

[Talk to our experts](#) to explore utilization management solutions underpinned by evidence-based models and backed by advanced analytics and AI.

### About WNS-HealthHelp

HealthHelp, a unit within WNS / Capgemini, has been a trusted partner for health plans' clinical programs for over 25 years. Our unified suite of Advanced AI powered technology platform-based solutions simplifies medical complexity and workforce challenges, and enhances provider relations and member journeys. Our uniquely designed UM and clinical solutions were developed to fit into health plans' existing clinical programs to advance outcomes and success. We work in partnership to understand health plan commercial and Medicare clinical programs, and determine where our solutions can advance outcomes and lower cost.

There is no one size fits all, and we know how to expediently deliver the best tailored solution for a specific health plan's needs. Learn more at [healthhelp.com](https://healthhelp.com).

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<sup>6</sup> [Outpatient Spine Surgery - OrthoInfo - AAOS](#)