An Overview of Policy, Data, Outcomes, Innovation, and Coding

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Disclosures:
• Strategic Vice President/Executive Board for Titan Spine
• Executive Operations Board: FDA’s MD EpinNet
• White House Population Health Council:
  • End Stage Renal Disease
  • Chronic Pain and Narcotic Opioid Abuse

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Changing Focus

Visibility and Tracking from:
– Health Systems
– Payers
– Patients

The impact of back pain in the US
• #2 in reasons for MD visits (behind respiratory illness)
• 6+ million people are being treated for chronic back pain (pain lasts >3 months unresponsive to treatment)
• 149 million work days missed ($28 Billion in lost productivity)

Numbers to Know:
• 2015 inpatient surgeries = 19,814,335
• 2015 spinal inpatient fusions = 398,942
  – This is a drop of roughly 30,000 inpatient procedures from 2014
  – 1762 facilities
  – 47% Medicare/Medicaid
• Highest Paid MD’s
  – Orthopedist (Top of the group is spine)
  – Average spine surgeon delivers 5+ x average salary in revenue
Trends

• 2016 OPPS
  – Eight CMS payment codes added for Outpatient Surgery
  – Post Surgical Nursing/Education (now billable)
• 2016 IPPS
  – Profit share with surgeons and hospitals (formerly kick-back)
  – Drop of Two Midnight

Changing Focus:
New Model of Fusion Success

Changing Focus:
ACA Review

Hospitals Top ACA Priority is to
### Changing Focus

ACA Review: How did hospitals do from Oct 2014 to Oct 2015?

**New**
- 75% of US hospitals penalized (1401 out of 3,440 hospitals)
- 38 hospitals will be subject to the maximum 3% reduction

**MAC**
- 22% lose full 1% for ranking in the bottom quartile nationally
- $164MM in annual lost payment

**HAC**
- Phase 3 being “canned” for “new outcomes measures” that are supposed to be released around July 2016

**Two year state**
- National drop in 105,000 preventable readmissions
- 15,000 fewer deaths
- $4.1 Billion in estimated savings from penalties, efficiency, or payment reductions

### Current Surgeon Ranking Progression

**Top Doctors – Madison Media Advertising**
- ... (midistinly)

**Health Grades**
- Launched November 2010
- Noocrat (scoreseward)
- No ratings found
- Scores based on patient satisfaction (based on response)
- Years of Practice
-主人公 varieties
- Hospital
- 17 Patients in open or Online Noticeability

**Propublica Surgeon Scorecard**
- Launched July, 2010
- CMS published data for 2.2 million procedures, top and worst replacements, share of spinal fusion, gallbladder removals, prostate removals and prostatectomies.
- Reductions in Preventable surgery
- 00 Day Hospital
- Hospital (3,400 reported)
- 00 Death (3,400 reported)

**Hospitil.gov**
- Launched Oct 2010
- Government Ranking of Hospital for preventable type

**Surgeonratings.org**
- Launched July 2011
- Analysis of care to million surgeons done for hospital patients by more than 10,000 surgeons
- Forwards high surgical returns
- Highlights highest hospital or surgeons (death or complications)
- Death within 90 days of discharge
- Any adverse within 90 days after discharge
- Preventable within 90 days, after discharge

### Rankings Everywhere

The Drive to “Patient Like Me” Concept

1. Health grades – They have over 17 million unique online views every month. They rate surgeons based on indication rating, costs, diabetes, readmissions, every or prevented. The data on surgeons is a very powerful tool they look patient satisfaction through online responses. They make the metrics skewed but with that they know how to monitor.

2. Propublica – They rate national data ranking and then surgeon based on complications, risks, mortality for surgical procedures. They differentiate directly that surgeons and categorical analysis that you put and what you did at your hospital get points. They are calculating that for every single surgery based on the data they have and how they determine a surgeon’s adjusted risk. You are a patient survey in the hospital but you were rated as 10 in your area for other surgery. In some arguments you would be in the top based on no reported complications.

3. Surgeon Rankings – get data from CMS on Propublica. This shows in the forums the scores on basis of 100 days and problems are those in the categories associated with the ACA. This is a coming online using data (similar to health grades) in the 90 group all spinal exploration and fusion categories into one... www.surgeonratings.com

4. Hospital.gov – not surgeon specific but gives HAC performance for hospital, gives you direct from the government. GREAT

5. HAC is a project that started at CMS in 3/03. www.healthgrades.com/orthopedic.html and if, at least for now, hospitaliki the future of preventive medical...
90 days = Rankings (Insurance)

Comparisons for Quarterly Compensation

30 days = Rankings (Payments)
A Closer Look at HIVE
(High Performance Integrated Virtual Environment)
**Ranking Concepts**
Assess Areas that Determine Outcomes or Rankings

**Direct (Measurable) Influence**
- Selection of Patient
- Demographic
- Standard Measures
- Comorbidities
- Selection of Device / Biologic / Pharma
- Selection of Procedure

**Indirect Influence**
- Surgeon Skill
- Hospital Quality of Care
- Patient Education
- Patient Follow Up
- Post Discharge (now reimbursed)

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**Does a Marketing or a Product Name = Advanced Technology?**

![Combustion](image1.png)  
![Fusion](image2.png)

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**The Medical Device Landscape**

![Diagram of Medical Device Landscape](image3.png)
Tricks to Product Selection

Recognize New OR Commoditize Me Too

We should we be looking for?

Differentiation in the Form of:

• **Product Specific Info** (Ask for written documentation that any studies were completed on the product being represented and not a different product)

• **Patient Outcomes Data**
  - Reimbursement
  - Total Cost of Care Savings
    • Discharge
    • Long Term

• **Agency Differentiation**
  - PMA or FDA 510K PLUS OTHER DESIGNATION (Added Clearances/Codes)

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Tricks: Avoid Outcome Based Penalties

(HVBP, HRRP, Rankings)

— High Focus on Pain
— Discharge Delight Push Final day in-room MD visit
  • Discharge quickly
  • Tablet rankings on-site
— Patient Variable Follow Up Targeting
  • Female elderly w/o close family
— Billing Adaptations Delay
  • No patients billed until day 31
  • Post Adjustment Billing (Avoid Sticker Shock)