

Creating Best in Class Perioperative Services under Accountable Care and Value-Based Purchasing



Becker's Healthcare
Jeffrey Peters

Learning Objective

- How ACA/VBP changes how we measure surgical services success
- Process to successfully position surgical services for the new paradigm
- Strategy to improve clinical outcome and lower cost
- Information you need to provide surgeons monthly for the organization to be successful
- Governance Model to transform surgical services
- Importance of PAT



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Quality-Based Payment Models



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Reimbursement

Before	After
Value-Based Purchasing	Value-Based Purchasing
ACO	ACO
Volume Based	Volume Based
	Outcome Based



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Value-Based Purchasing	PY13	SCIP
	PY 14	Outcome AMI
	PY 15	CVT, PE, SSI
CMS	PY 13	No Payment Orthopedics DVT/SE Retained objects
AC		Readmission Shared savings

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Successful Systems are Following a Five Step Process

Successful systems are following a five step process to ensure surgical services are profitable market leaders

- Define surgical lines to focus on growth
- Define how to obtain a sustainable competitive advantage
 - Delivery system
 - Outcome
 - Cost
 - Service
- Provide transparent robust information to surgeons
- Define which surgeons are keepers and how to address outliers
- Improve Perioperative Performance
- Surgical Home

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Advocate Market Leader in Cost / Quality

- Higher reimbursement from payor
 - Hospital
 - Surgeons
- Growth in market share



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Lead Change

- Successful health systems utilize the SSEC to drive the transformation of Perioperative Services and meet new value-based purchasing/ACO goals and outcomes



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Case Study

Advocate Lutheran General Hospital - tertiary provider

- **Goal:** Outcome at Best Performing Nationally for Perioperative Services



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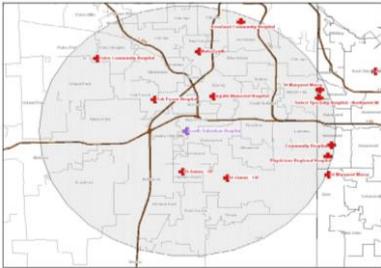
- Single path scheduling
- Document management
- Presurgical optimization
- Daily Huddle
- Surgical Safety
- Participant in NSQIP

SCIP	Exceed all Illinois and nation per bench marks	
Retained objects	0 per 1,000 cases .029 per 1,000 cases nationally	
Post surgical complications	DVT ↓ 75% UTI ↓ 75% Kidney ↓ 80% Post op 2007 1.4 Pneumonia 2011 0	
LOS	Complicated aortic surgery	
	Net 9 days	< 6.5 days
Readmissions	Net 12.5%	< 9.3%
Cancellations	18 month before	3 month now

PAT

- Medical Director
- Telephone Questionnaire
- Risk Assessment to identify patients needing to be seen
- Testing Protocols
- Protocols to manage co-morbidity
- Identify patients in need of intervention prior to surgery
 - Diabetes
 - High BMI
 - Smokers

Competition Within 10 Minutes



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Case Study: Perioperative Transformation

- New Anesthesia Group
- New collaborative governance
- New OR Director
- Revised block time and rules
- Implemented management/physician dashboard reports



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Case Study: Anesthesia

- Hospital looking to Anesthesia to drive perioperative performance
 - Effective Medical Director
 - Incentives aligned
 - Stipend based on specific service standards
 - Available effective regional blocks
 - PAT
 - Protocol driven
 - Ability to accommodate add-ons
 - Participate in Daily Huddle
 - On-time starts
 - Quick procedural turnover time
 - Just Culture
 - Adopt 10 points of Safer Surgery



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Case Study: New Anesthesia Group

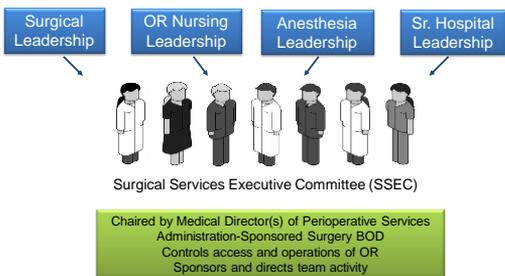
	Previous	Current
Service Orientation		
Compensation		
Clinic Skills		
Service/Collaborative		

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Collaborative Governance: SSEC

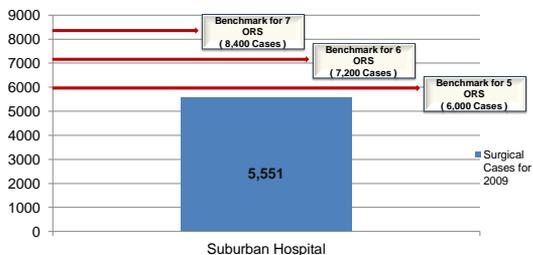
Recommendation: Create a Perioperative governing body to align incentives



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Case Study: Existing Capacity Exceeds Demand



NOTE: Based upon case mix and IP:OP ratio, Surgical Directions projects optimal OR utilization at: 1,215 cases per OR (37% IP/63% OP)

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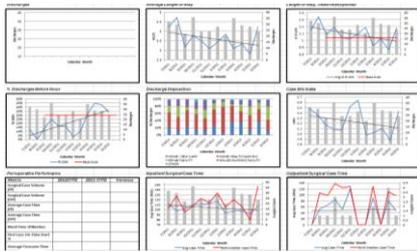
- Do you want to give prime block time to surgeons with excessive costs, excessive case time, or poor outcomes?



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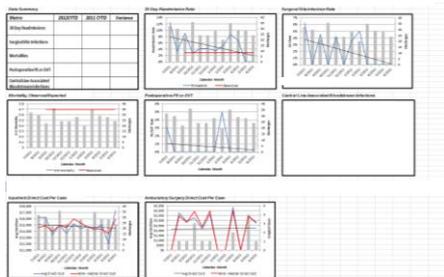
Physician Scorecard



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Physician Scorecard Cont'd



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Surgeon Report Card



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Benchmark Measures for Orthopedic Outcomes

	"Hospital"	Benchmark
LOS		
Lumber Fusion		2.7 days
Cervical Fusion		1.4 days
Joints		2.3 days
Complications Joints		
Joint		1%
Transfusions		6%
Re-admission		1%
Discharge Joint		
Home		91%
ROM		

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Case Study: Dashboard

SURGICAL DIRECTIONS		FY 12 Surgical Services Dashboard for the period ended May 31, 2012									
Surgical Services Measure	Indicator Goal	FY12 Actual	Performance	FY12 Target	FY12 Variance	Trend	12 Month Target	12 Month Actual	12 Month Variance	12 Month Trend	
LOS	Indicator Goal	6.5	Target	6.5	0.0	Stable	6.5	6.5	0.0	Stable	
Discharge to Home	Indicator Goal	85%	Target	85%	0%	Stable	85%	85%	0%	Stable	
Re-admission	Indicator Goal	1%	Target	1%	0%	Stable	1%	1%	0%	Stable	
Transfusions	Indicator Goal	5%	Target	5%	0%	Stable	5%	5%	0%	Stable	
Complications	Indicator Goal	2%	Target	2%	0%	Stable	2%	2%	0%	Stable	
7:30 On-Time Starts	Indicator Goal	90%	Target	90%	0%	Stable	90%	90%	0%	Stable	
Block Utilization	Indicator Goal	80%	Target	80%	0%	Stable	80%	80%	0%	Stable	
Day of Surgery	Indicator Goal	30%	Target	30%	0%	Stable	30%	30%	0%	Stable	
Minor Surgery	Indicator Goal	15%	Target	15%	0%	Stable	15%	15%	0%	Stable	
General Surgery	Indicator Goal	15%	Target	15%	0%	Stable	15%	15%	0%	Stable	
Cholecystectomy	Indicator Goal	10%	Target	10%	0%	Stable	10%	10%	0%	Stable	
Small Bowel Resection	Indicator Goal	5%	Target	5%	0%	Stable	5%	5%	0%	Stable	
Colon Resection	Indicator Goal	5%	Target	5%	0%	Stable	5%	5%	0%	Stable	

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Case Study: Outcome

- Most improved hospital in the 13 hospital system
- Increased surgeon satisfaction



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Case Study: Performance Outcomes

Indicators	Improvements
Impact on Market Share	3%
Impact on Surgical Volume	22%
Impact on Net Income	\$8 million
L.O.S. Decrease	11%

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SURGICAL HOME

- Coordinated method for managing patients
 - Prior to surgery
 - During hospital stay
 - Discharge
- Critical Components
 - Surgeon commitment
 - Anesthesia / Hospitalist

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How to Get Started

- Identify a champion who can secure organization commitment to focus on measurable quality outcomes
- Transform Governance
 - Medical Director(s)
 - Daily Huddle
- Assemble information to measure performance
- Upgrade PAT
- Consider surgical home for complicated surgery

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