

Developing Successful Spine Centers of Excellence and Managing Quality

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Marcy Rogers is President and CEO of SpineMark Corporation, the premier global spine service company for the development of Spine Centers of Excellence and Spine Research Organizations.

SpineMark works with physicians, hospitals, facility companies, third-party payors and medical manufacturers in the fields of spine, pain, orthopaedic surgery and neurosurgery.

For more than 30 years, Marcy has worked with leading healthcare professionals, facilities and medical device manufacturers to advance her goals of improving patient outcomes and satisfaction.

Headlines Today

Cleveland Clinic
Diagnoses Health-
Care Act, Wall Street
Journal, 12/19/12

New York City Ties
Doctors' Income to
Quality of Care, New
York Times, 1/12/13

Medicare Discloses
Hospitals' Bonuses,
Penalties Based on
Quality, KHN, 12/21/12

Atlanta Hospital Systems
To Form Their Own
Insurance Company,
medcitynews.com,
12/18/12

The Globalization of Healthcare



Medical Tourism

- Medical tourism global revenues for 2010 were \$40 billion
- Patients seek international spine care options because:
 - ✓ Healthcare too expensive at home
 - ✓ Waiting times for surgeries are long
 - ✓ New medical developments not yet approved in home country

“

The growth of the global health care industry has resulted in increased competition, leading hospitals to differentiate themselves through international health care evaluators.

~Partners Harvard Medical International

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AGENDA

RATIONALE	Examine the rational for developing a Spine Center by exploring the economic burdens imposed on both patients and physicians by the current state of Spine and how the emergence of the multi-disciplinary care model can alleviate these burdens.
MEASURING SUCCESS	Benchmarks, process, patient thru-put and outcomes Development of the business model
DEVELOPING THE BUSINESS MODEL	Follows the first phase of the milestones chart and discuss how to develop a business model for the Center along with legal factors and potential structures of ownership
ADMIN & LOGISTICS	Follows phases 2-5 on the milestones chart and takes you step-by-step through essential phases.
MARKETING	Overview of marketing program trends. Discuss the fundamentals of marketing a successful Spine Center with detailed, practical tips and best practices.
Q & A	

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Spine Center

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graph TD; SC[Spine Center] --- CCP[Conservative Care Portal including Diagnostics]; SC --- T[Tumors]; SC --- M[Musculoskeletal]; SC --- S[Spine]; SC --- P[Pain]; SC --- PIN[Physiatry, Interv Pain, Neurology];
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Tumors

Conservative Care Portal including Diagnostics

Musculoskeletal

- Sports Medicine
- Joints
- Trauma
- General Orthopedics

Spine

- Complex
- Deformity
- Degenerative
- MISS
- Trauma
- General

Physiatry, Interv Pain, Neurology

Pain



**In Building a Successful Spine Center Model,
Everything Must Fit Together**

Overview of Stages for Development of COEs

Planning & Feasibility

- Market Assessment
- Feasibility Assessment & Op Plan for Integration
- Mission, Vision and Values
- SWOT Analysis
- Business Plan, Budgets and Forecasts

Implementation

- Launch Clinical Operations Committee
- Establish Triage Thru-put
- Clinical Algorithms
- Patient Navigation
- Recruit Key Staff /Team
- Train Staff, Management
- Implement Research Site
- Produce Marketing Plan

Management

- GO LIVE
- Implement Quality Dashboard Metrics
- Implement Marketing & Operating Plans, Review Annually
- Utilization Review, Q/A Programs
- Set Objectives for COE Annual Growth

Strengths of the Spine Umbrella

Broad catchment of referrals from intertwined fields leads to increased market share, diversification of referral, payor trends

Coordination of primary and ancillary care

Operative non-operative integrated model delivery system

Captures downstream and spin-off revenue

Quality metrics for process and outcomes

Increased utilization of OP site of service

Combination of multiple related departments/programs

Research

Spine Center Opportunities

- International, national, regional local catchment area branding and marketing
- PCP Education programs for when to refer and where
- Quality focused Spine Protocol Management System and Metrics
- Organized system for patient thru-put
- Comprehensive delivery system for conservative, operative and non-operative care will solve outmigration issues and increase market share
- Clinical research drives a new class of patient referrals
- Alignment, accountability, collaboration model
- Niche specialties and expertise are the key to surviving managed care – *Toby Cosgrove Interview, 12/12 WSJ*

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Benchmarks Protocol, Quality Metrics

Accountability and Collaboration

Physician Contribution

Clinical Leadership

- Participation standards
- Clinical pathways
- Clinical outcomes and quality

Hospital Contribution

- Staff
- Location
- Director
- Nurse Navigator
- Software for outcome tracking
- Marketing

Hospital leadership and Spine Center physicians collaborate to manage outcomes and the cost of care.

Measuring Success

Operational	<ul style="list-style-type: none">▪ LOS▪ Continuum of Care	<ul style="list-style-type: none">▪ OR Utilization▪ Optimized Care Transitions
Financial	<ul style="list-style-type: none">▪ Contribution Margin▪ Resource Utilization	<ul style="list-style-type: none">▪ Meet Business Plan Metrics▪ ROI
Clinical	<ul style="list-style-type: none">▪ Patient Satisfaction▪ Outcomes/RTW	<ul style="list-style-type: none">▪ CQI – Quality Initiatives▪ Complications
Collaborative	<ul style="list-style-type: none">▪ Recruitment and Retention	<ul style="list-style-type: none">▪ Administrative Satisfaction▪ Physician/Staff Satisfaction
Market Performance	<ul style="list-style-type: none">▪ Market Share Growth▪ Volume (PSA, SSA & TSA)	<ul style="list-style-type: none">▪ Referrals from WC and PCPs▪ Research & Academic Visibility▪ Payor Optimization

Transparency will Drive Quality, Growth and Reimbursement

Transparency

- Error Prevention
- Clinical Outcomes
- Quality Dashboards
- Performance Metrics
- Spine Center Policies and Procedures
- Continuous Quality Improvement Plans

Performance

- Report Cards
- Quality of Care
- Credentialing & Accreditation
- Patient Access
- Patient Satisfaction

Market Share & Maximized Reimbursement

- Patients are 'shopping'
- Payors are 'purchasing' bundled services and paying for quality and data on outcomes
- ACO's are only going to GROW

Specialization in Orthopedic Surgery Shows Better Outcomes

Fewer postoperative complications, such as blood clots, infections, heart problems and death among the more specialized hospitals

50% lower rate of death within the first 90 postoperative days for patients undergoing hip or knee replacement among the more specialized hospitals

“ **Standardization**,
whether it is in manufacturing or in health care,
leads to fewer errors and more predictable outcomes. ”

The Journal of Bone and Joint Surgery , 2007

Spine Protocol Management System

International Standard for Spine COEs that ensures meeting business requirements and the broader needs of patients and society

International Standards include:

Planning

- Quantifiable data to balance cost and outcomes
- Participation standards between IP and OP and ancillary services
- Prevention, screening and patient education

Implementation and Management

- Process to ensure data and information are accurate and reliable
- Making data accessible to those who need it

Monitoring

- Clinical/Surgical Outcomes
- Financial Performance Metrics
- Operational Metrics
- Service and Staff Performance Standards

Measurement

- Continuous monitoring of industry benchmarks



International
Organization for
Standardization



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Spine Center of Excellence

The Spine Center is an integrated delivery system for quality-driven, state-of-the-art operative and non-operative care for spinal conditions.

Benefits of building this program:

- Coordination of care
- Physician alignment for optimal care delivery
- Efficiency of provider practices
- Enhanced patient experience
- Improved patient outcomes
- Increased referral satisfaction
- Advancing care via clinical research
- Cost management



Spine Center

Qualifications/Readiness

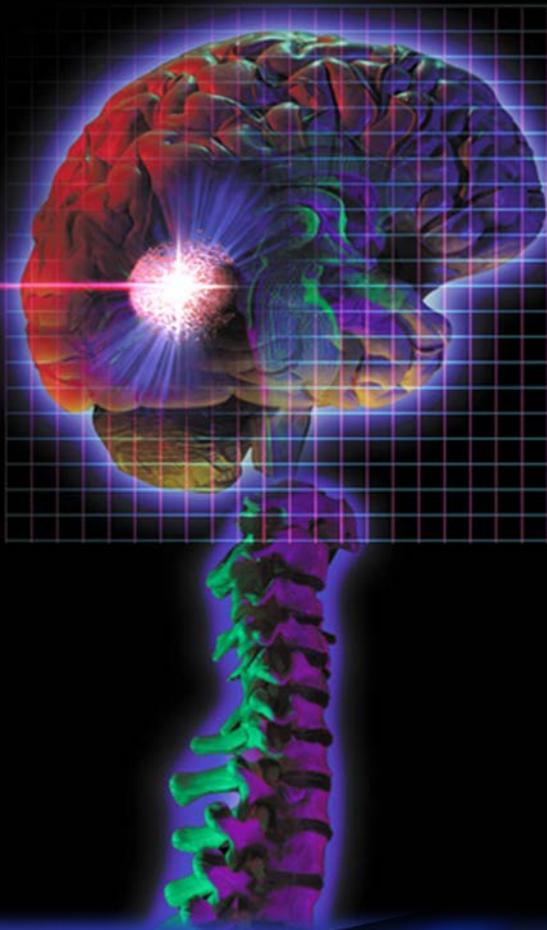
Marketplace

- Catchment area: Population >500,000
- Well-trained ER physician team
- Broad base of primary care, neurology, rheumatology support
- Industry "heavy" area
- Access to international airport
- Transportation, utilities, warehousing
- Opportunities for medical tourism program

Profile

- Defined purpose for pursuing a Spine of Excellence
- 3-6 surgeons aligned with the vision for COE
- Strong diagnostics, interventional radiology services
- ER Protocols for Spine - Ortho, Neuro
- Outmigration of cases or potential market share to gain
- Facility willing to invest in COE virtual/physical infrastructure
- Surgeons and physicians collaborative
- Vesting of all stakeholders through alignment model

Spine Center Focus on Treatment for Multiple Conditions



Types of patients the Center will serve:

- Deformity
- Tumors
- MISS
- Complex spine (fusions, etc)
- General spine, trauma
- Total disc replacement
- Dynamic stabilization
- Diagnostic and therapeutic injections
- Ablative interventional pain procedures
- Pumps and stimulators
- Interventional pain

Spine Center



Program Structure

Spine Center of Excellence

Key Program Elements

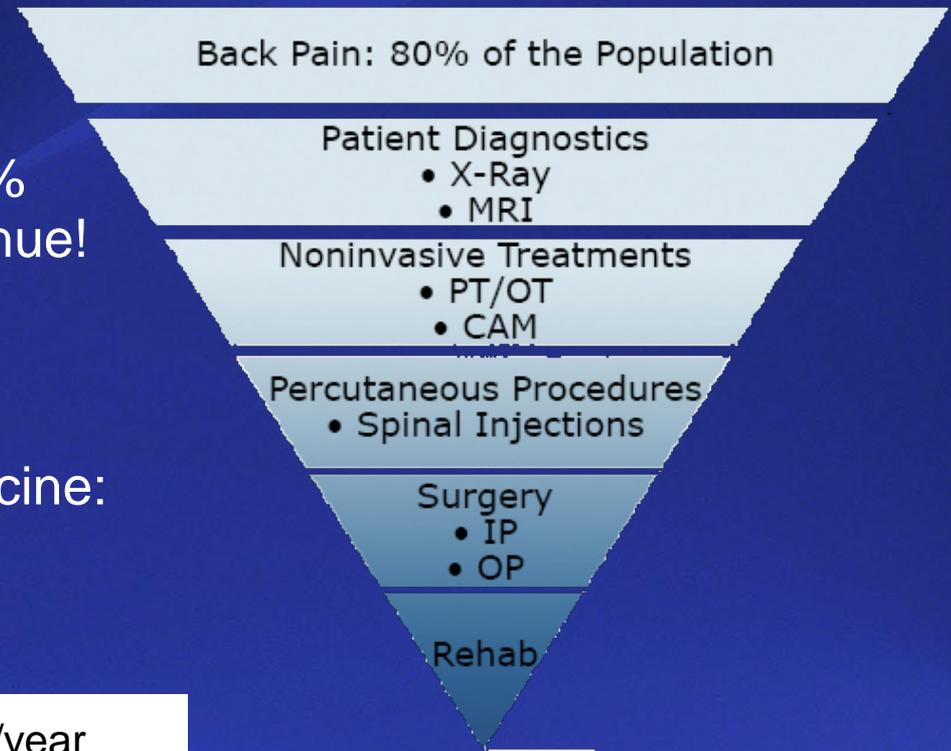
- Central point of access for a full array of services, 800 number
- Effective triage system based on clinically sound algorithms
- Improved service and communication through nurse navigation
- Clear marketing and promotion program addressing strategies for contracting, public relations, promotion and advertising
- Participation in clinical research trials
- Outcome-driven, evidenced-base care assessment system
- Transparency to payors, employers, managed care organizations and physician groups



Surgery is Only One Component of Comprehensive Spine Care

Non-surgical care accounts for 90% of volumes and 60% of spine revenue!

- Patient Diagnostics: \$4.2 billion
- Spinal Injections: \$2.3 billion
- Complementary/Alternative Medicine: \$26.1 billion



Imaging	\$75 – 150K/year
Physical Therapy	\$150 – 200K/year
Pain Injections	\$250 – 350K/year

Multidisciplinary Spine Team

Primary Disciplines

- Neurosurgery
- Orthopedic Surgery
- Interventional Pain Management
- Interventional/Chronic Pain Management
- Physiatry
- Radiology
- Interventional Radiology
- Rheumatology
- Physical Therapy/Rehab
- Nursing
- Anesthesia
- General/Vascular Surgery
- Occupational Therapy
- ER Physicians

Secondary Disciplines

- Neurology
- Behavioral Health
- Psychiatry
- Family Practice
- Internal Medicine
- Metabolic Bone Disorders
- Ancillary:
 - Acupuncture
 - Chiropractic
 - Bracing
 - Bone Stimulation
 - Holistic Therapies

Spine Centers of Excellence

Structural Elements

- Physician-driven Clinical Operations Committee (COC)
- Multidisciplinary team approach to provide full continuum of spine care including pain management
- Team conferences
- Treatment pathways and clinical algorithms
- Continuous Quality Improvement (CQI)
- Clinical spine research



Triage

Outpatient

- Right patient, right time
- Assessment tools or patient pathways
- Triage point
 - Software
 - Onsite visit
 - Locations
 - Multidisciplinary team conference
- Data collection and packaging
- Initiate a customized care plan

Inpatient

- Emergency department
- Call coverage

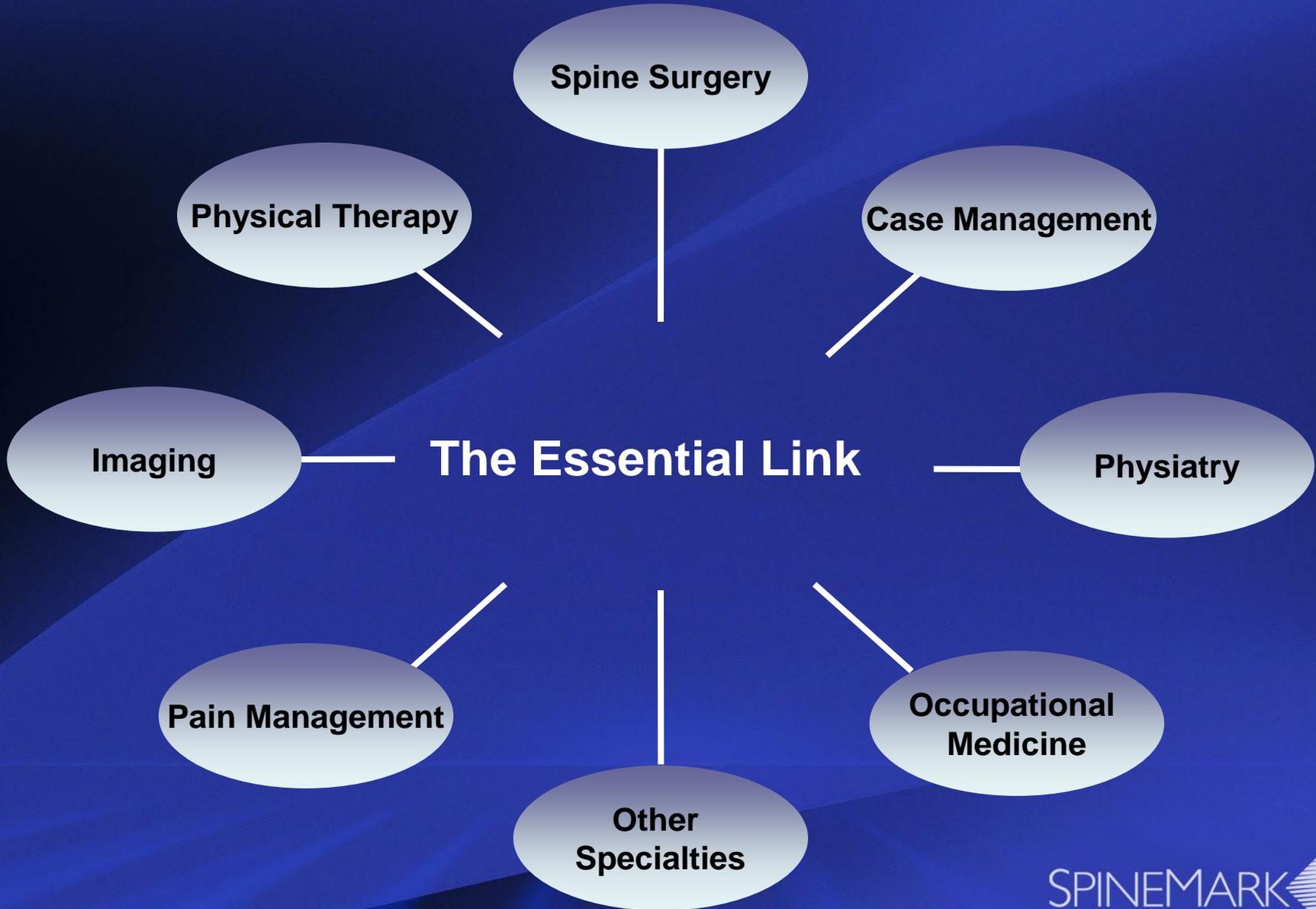
Navigation

Outpatient

- Coordination of care plan
- Efficiency of team members
- Remove barriers and create efficiency
- Tracking
- Ensure fast-track access to Spine services
- Communication to referring physicians

Inpatient

- Pre/post-surgical coordination
- Ensure records coordination
- Seamless patient transitions
- Inpatient concierge for patient and family



Spine Clinical Operations Committee

Governance Structure

- **Role:**
 - Sets inclusion **criteria** for each COE multidisciplinary team
 - Implement Niche Center program elements
 - Ensures that the **plan, measurable objectives** and **implementation** timeline are met
 - Ensures long-term program **objectives** are monitored and achieved

- **Duties:** review service results, match Spine initiatives, gain consensus on the key elements and achieve goals

- **Operational parameters:** operations, quality, service, marketing, cost-alignment and clinical research

- **Authority:** responsible and accountable for the Spine Center

What is the Hospital Cost of Not Creating a Spine Spine Center of Excellence?

- Dilution of market share
- Outmigration of cases
- Shrinking catchment area
- PCP confusion
- Fragmented care, higher cost
- Noncompliance payor guidelines for COE quality metrics and process benchmarks

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Phases of Engagement



Example Project Timeline

EVENT	MONTH								
	1	2	3	4	5	6	7	8	9+
PHASE I									
Program Introduction	■								
Info Gathering	■								
Kick-Off Meeting	■								
Baseline Analysis	■								
Comprehensive Analysis & Opportunities Identification		■	■	■					
Final Report / Presentation				■					
PHASE II									
Business Plan Execution				■	■	■	■	■	■
Marketing Plan Execution									
Brand Identity & Referral Packet						■	■	■	
Web Design							■	■	■
Internet Advertising & Tracking							■	■	■
Workers' Compensation Marketing								■	■
Contracting & Enrollment								■	■
Referral Physician Outreach								■	■
Public Relations									■
Bi-Annual Newsletter									■
PHASE III									
Initiate Management Services									■

Phase II implementation check list

IMPLEMENTATION CHECKLIST - OPENING PLUS 1 MONTH

Target Opening Date:

Responsible Person	Task	Start Date	Completion Date	Audit
<i>Clinical Operating Committee</i>				
	Continue with bi-weekly case management meetings			
<i>General Administrative Functions</i>				
	Complete all Construction/Tenant improvement			
	Full equipment installation			
	Triage of Patient Begins			
	Board Meeting to Review Opening and operations			
	Review operational performance			
<i>Marketing</i>				
	Begin Workers' Compensation Campaign - outreach to third party payors, etc			
	Prepare for first hospital educational seminar			
	Press release on Center's involvement in international research studies			
	Begin PCP education			
<i>Quality Improvement Functions</i>				
	Perform Quality Review on first 10 cases			
	Review schedule			
<i>Medical/Admin Staff Functions</i>				
	Monitor all Triage/verify Algorithm is working			
	Review initial coding and timeliness of initial billing			
	Assure transcription services are functional			

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HOW TO ATTRACT LOCAL, REGIONAL, US OR INTERNATIONAL CONSUMERS TO YOUR SPINE CENTER

UTILIZING A MEASURABLE, FOCUSED OPERATING
MANAGEMENT PROTOCOL AS A QUALITY METRIC
TOOL

UNDERSTANDING CONSUMER AND PATIENT MARKET
SPINE DESTINATION BRANDING

Marketing & Education

Community Hospital education program

- Payors
- Physician, allied health, general referral sources
- Patients

Diagnostic, wellness and screening programs

Seminars, symposiums and education sessions

Leveraging outcomes

- Directed referrals
- Contracting and reimbursement

Role of marketing liaison

Role of physician in marketing and education



Trends in Accountability

Patients use Social Media to:

- Find physicians
- Compare quality of care metrics
- Read scientific articles
- Share information relative to the treatment and diagnosis
- *Patients will use subjective information until quality measurements are standardized*



The NEW ENGLAND
JOURNAL of MEDICINE

WebMD®

Better information. Better health.

Angie's list®

pine-health.com
Your comprehensive resource for back pain

ALTHGRAD

ZAGAT
SURVEY.

spineuniverse®

U.S. News & WORLD REPORT

Transparency to Payors, Employers, Managed Care Organizations and Physician Groups

- Direct access to physicians and facilities
- Coordinated, comprehensive care by one network or delivery system
- Prospective and retrospective outcomes capability
- Case Management
- Disease based medical management model
- Early return to work or function
- Algorithmic protocols and standards of care

Sample COE:

Create Customized Marketing Program for Client



Advantage of Participating in Research Trials

Capture new markets

Domestic and international medical tourism

Self referred

Build reputation in local and international Hospital

Publication opportunities

Help pioneer new advances to help patients

Offer patients access to new treatments

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