BECKER'S SPINE REVIEW

Spine and Orthopedic Practice Management

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8 ways to prepare your spine or pain care program for 2016 Featured

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2015 is a year that has seen great consolidation among payors, and in turn, that is causing insecurity leading to consolidation among providers. Yet to be seen from all this change is if clinical care and disease management will improve through all this consolidation.

For example, are consumers more educated and better able to discern among the various spine surgeons listed on a roster of a generic hospital web site? We don't think so. At best this is fragmented spine care. For those doctors who weathered the first rollup of physicians from 1991 to 1994 with the Phycors and Medpartners physician management company craze, some of this may seem to be deja vu. Regardless, surviving the changes in the healthcare marketplace will require a re-examination of one's product, the marketplace and how it's evolving.

Specific to spine and pain management, controlling one's destiny in the coming "futureworld," can involve several steps, including the following:

1. Be ready to position your product long term so that it can be rewarded more for doing less. Under current reimbursement models, employers and health insurance payors dislike the incentive of a spine provider to continually bloat costs with excessive diagnostics and procedures — including unnecessary or overly aggressive spine surgeries that can create scarring around a nerve root and expensive-to-resolve failed back surgery syndrome. In the futureworld — with bundled case rates covering a month-long episode of care — providers may be rewarded for providing prudent care rather than bloated care. Be aware that while reimbursement still rewards tasks (CPTs), the horizon is reimbursement by diagnosis code, which will reward the spine care program that has multi-disciplinary components (e.g. spine surgeon, physical medicine, spine therapy) as well as tight relationships with those who provide access to diagnostics and spine surgery facilities.

2. Insulate yourself into the back pain business for the futureworld, rather than just the spine surgery business. Single specialty groups with a roster of only spine surgeons are poorly positioned to treat back and neck pain. They are in the spine surgery business, not the back pain business, and are dependent upon others for access to future customers. For example, there are payors and employers busy assembling surgeon blockades where patients are required to be rubber-stamped first by physical medicine physicians. The Priority Health HMO model did this and reduced the number of surgeries in Michigan 25 percent. That got a lot of attention from payors in other states. Behind the curtain, many have their protocols on the workbench.

3. Tighten your relationship with an Ambulatory Surgery Center that is geared for minimally invasive spine surgery and spinal injections. While some spine surgery patients will continue to need the capabilities of a hospital for an overnight stay, or access to an ICU, the undeniable trend for spine surgery is toward minimally invasive, outpatient surgery where the patient is home the same night. The educated prospective spine patient now knows that highly trained spine surgeons can access the spine through endoscopic tools that lessen risk of open surgery, disruption to muscle and ligaments with smaller incisions, all to speed return to activity through a less painful recovery. What patient wouldn't want that in futureworld?

4. Create and install ancillary revenue streams that can soften the impact of reimbursement reductions and increasing

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overhead. For a spine center or pain management center, this can include capturing revenues that would otherwise be sprayed out into the marketplace, such as: physical medicine, spinal injections, diagnostics, neuromonitoring, physical therapy, lab, or even a convenient pharmacy alternative.

5. Evolve your bundled case rate packages to include non-surgical triage and treatment options. Obviously payors are looking for some predictability in how spine surgery is priced, by favoring packages that assemble the spine surgeon, anesthesia and facility under a bundled rate. That's logical because it's the most expensive piece. That is creating a fascination with discounted prices for bundled surgery. And surgical mills are profiting from that for now. But who is deciding on if a surgery is really necessary? Those in the spine world, physical medicine docs included, would argue that if you put the same spine patient in front of 10 different spine doctors, you will get some disagreement as to who really needs spine surgery. Consequently, bundled rates for spine surgery we believe are simply Phase I of futureworld. That's because as employers and payors become educated, they will begin to understand the REAL issue at hand is not just discounting a spine surgery, but determining "Is the spine surgery really necessary?" and "Could the spine surgery be done outpatient, with a minimally invasive approach that is less risky to the patient and quicker for recovery?" In that sense, we believe Phase II — as the spine market matures — will be to provide non-surgical episodes of care that covers a month worth of time, and includes care from a non-surgical spine specialist (PMR) and spine therapists. If symptoms don't resolve after 4 weeks, the patient THEN exits the protocol for the surgical option with the assurance that non-surgical options were indeed exhausted. That is the only way of really knowing if the non-emergent patient could respond to non-surgical treatment options.

6. Provide exclusion criteria for problem patients. Payors like predictability and that is accomplished with predictable bundled prices. However, is that fair to punish the provider when the patient brings with them a mixed bag of risk factors, e.g. COPD, ASA rating of 3, 4 or 5, or morbid obesity? We recommend exclusion criteria that provides the reasonable price for the patient entering the protocol in reasonable condition. Patients that have exclusion criteria revert to a fee schedule, so the provider isn't punished by the patient's condition.

7. Become the expert source for information on the subject of back and neck pain. The healthcare consumer is looking for information online to enable them to self-diagnose and self-treat their back or neck pain. The historical electronic brochure of doctors' names, office hours and satellite locations will not appear a person's organic search for “home remedies for back pain.” In futureworld, the healthcare consumer will be looking for cues online that project you know what you are talking about.

8. Go direct to to the consumer. Hospital employment of primary care physicians is not a lucrative strategy in and of itself. Instead, it's used to control and steer referrals to those specialists who are also employed by, or affiliated with, the hospital system. For an independent spine or pain practice to survive in a futureworld network environment, it MUST attract patients directly so the patient bypasses the family practice physician entirely. The consumer with a knee problem is already educated to bypass the family doctor in favor of the knee specialist. Back and neck pain is predisposed already to go to specialists if the specialty center makes itself accessible. This can be accomplished by having a content-rich, educational Internet presence that comes up in the top 10 on search engines for key words along with their city or region name. This means explaining to the consumer what symptoms mean; which symptoms need to be seen immediately to prevent permanent neurological damage; what are the most advanced treatment options; and why your center is unique and superior to other options in the marketplace.

We believe that ultimately, the best spine care product will be the one most likely to survive long term. In that sense, 2016 provides problems, but also opportunity to re-invent and re-position one's spine or pain management business.

Prizm Development has worked with spine physicians and hospitals in 48 of the 50 states over the past 20 years helping them improve the way they care for back and neck pain.

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