

# 2020 vision: Where is spine care headed for spine physicians & hospitals?

By Bob Reznik, MBA  
President, Prizm Development, Inc.

**H**ealthcare has been one of the most insulated industries — up to now. But massive changes coming over the next couple years will turn reimbursement upside down. Instead of continuing to reward doctors and hospitals for performing more tasks (CPTs), payors (Medicare, employers and insurance companies) are rapidly moving toward bundled case rates for spine surgery and even non-surgical episodes of care (injections & therapy).

At the same time, educated consumers are referring themselves directly to regional spine centers they find on the Internet. Because a person can self diagnose back or neck pain, fewer now rely on a family practice physician for a referral, especially when that referral can be biased by the PCP's "hospital employer."

### The risk of dependence on referrals

Are you dependent on the “PCP middleman” for your customers? If so, you are at risk for three reasons. First, many PCPs in large markets are now employed by hospital systems. These PCPs may have an incentive to steer referrals to campus specialists. Second, consumers are using the Internet to

direct themselves to the best super-specialists and regional spine centers. Thirdly, payors are now steering patients to those spine centers who provide bundled rates and non-surgical options by covering patient out-of-pocket fees and travel costs for patient and spouse.

Do all these changes represent a huge problem or huge opportunity? In any business, it's the innovators and those who are looking ahead with 20-20 vision who benefit the most. The laggards and late adopters are the ones who are elbowed out of business. The first step is attaining a clear vision and strategic plan to tap into the emerging opportunities that lie within the maturing healthcare system. Are you positioned as an innovator or a laggard in the niche of spine care?

Because of its investment in marketing research, Prizm knows clearly what the market wants — an approach that emphasizes nonsurgical options first where appropriate. When spine surgery is necessary, the market desires minimally invasive surgery for less time in the hospital, motion preserving artificial discs where possible and advanced implant technology — all for a predictable price.

## Differentiation is key

We believe the new



market will require a tremendous amount of communication to consumers and payors.

It will require developing credibility, which is why Prizm developed Spine Center Network 10 years ago — now the only national listing of spine centers that meet credentialing criteria. Currently, SpineCenterNetwork.com scores #1 and #2 of 8 million on Google for the national query: “*spine center second opinion United States.*”

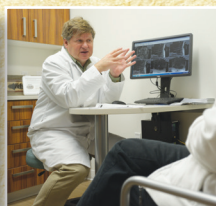
We also know from 20 years of spine outcomes tracking that regional spine centers unfortunately act as the sewer system for the dysfunctional spine care provided by others. Fact: regional spine centers are referred the most complex patients. Our outcomes studies show that 25% to 30% of NEW patients coming in the front door have had back surgery elsewhere.

That means a regional spine center must have “new patient severity data” to defend itself to payors for the expensive care typically required for this complex case mix and to negotiate reasonable severity-based rates.

Otherwise, prepare to be blamed for the high cost of salvage work on complex patients that will inevitably seek you out on their pilgrimage after previous failed back surgery elsewhere.

## CASE STUDY: Finally, a spine specialty center for Alaska

Prizm helped fellowship-trained spine surgeon Dr. Craig Humphreys realize a dream of finishing his spine career where he grew up: Alaska. Prizm planned out the necessary spine center space on the Kenai Peninsula with internal spine PT, then launched the new spine program to consumers with an educational Internet presence that generated high Google visibility. Prizm's referral development systems communicated the capabilities of the spine center to referral sources. Prizm also recruited a Mayo Clinic-trained physiatrist for non-surgical care. In its first year, Kenai Spine handled more than 200 spine surgeries for patients who previously had to travel by plane to Seattle.





# 10 ways Prizm helps physicians & hospitals improve their spine & pain care services

- 1 Spine care program development** to improve spine outcomes and revenue efficiency, including space planing, spine center finish out, the installation of spinal injection services and spine therapy. Prizm successfully recruits spinal injectionists and therapists. Prizm triage protocols and cross-referral systems improve the revenue capacity of the center. Prizm enables a physician group or health system to speed the launch of a spine center before competitor centers emerge.
- 2 Educational content-rich Internet sites that score in the top 10 for consumer searches on Google.** These sites make use of Prizm educational intellectual property and proprietary search engine techniques to score above competitors. Prizm sites include exercise libraries; symptom charts that tell consumers when to see the doctor; anatomy libraries; second opinion request forms; and patient feedback portals.
- 3 Creative Facebook ad campaigns and Google Adwords campaigns** that increase traffic to the spine center web site and the capture of back pain prospect information like email addresses and mailing addresses into a prospect database.
- 4 Direct-to-consumer promotion,** including educational ad campaigns (print & radio); Facebook ad campaigns; and marketing communications position the spine center as the Expert Source for Information on back and neck pain.
- 5 The Prizm Home Remedy Book** stimulates referrals and acts as a call to action from consumer advertising to create a back pain sufferer database for future direct marketing.
- 6 Referral development systems** make use of databases and marketing communications that communicate the spine program capabilities to stimulate new referrals from chiropractors and primary care physicians.
- 7 Capabilities brochures** explain how a spine program is different and better than alternatives, along with the benefits of minimally invasive spine surgery, artificial disc for motion preservation and other advances in spine care. Patient Brochures, Injection Brochures and Therapy Brochures improve patient compliance with the prescribed spine treatment.
- 8 Back to Life Journal & Spinal Curves Journal** communicate the latest advances in spine care, e.g. minimally invasive spine surgery and artificial disc. The journal can be downloaded as a PDF from the web site to differentiate the spine center from all competitors.
- 9 Reputation management** strategies help physicians get control of patient complaint boards like Healthgrades, Vitals, RateMDs, Yelp, Google Reviews, etc.
- 10 Repositioning for bundled rates:** Over 20 years experience in bundled rate development for spine surgery and non-surgical episodes of care, which includes crucial exclusion criteria to protect the spine center from high risk outlier patients.



Prizm educational content-rich Internet sites enable a spine center to score in the top 10 for credible "organic search" rankings. This can save a spine group \$30,000 annually for what it would otherwise have to pay for "paid search" (Google Adwords) visibility.



Over the past 20 years, more than 500,000 copies of the Prizm 36-page Home Remedy Book have been printed. The 4-page covers are customized to each spine center. The books enable the spine center to develop a database of back pain sufferers for future database marketing. Referral sources hand out the book to their patients, which directly connect the back pain sufferer to the spine center web site.



Bob Reznik, MBA, directed the development of the first and largest spine center in the nation for its first 9 years 1986-1995. Subsequently, he founded Prizm 25 years ago in 1995. Prizm centers were the first in the nation to publish spine Clinical Outcome Report Cards for payors, employers and consumers. Prizm includes three MBAs specialized in healthcare that work with physician groups and hospital systems that want to improve spine care. Bob Reznik can be reached by e-mail at: [Bob@PrizmDevelopment.com](mailto:Bob@PrizmDevelopment.com)



## What others say:

Bob has worked with me since 2004 when I called upon Bob and Prizm to actualize my vision of creating a prominent regional Spine Center of Excellence. Bob and Prizm worked closely with me to create a regional spine center development strategy, the name of the spine center; the corporate identity; a content-rich Internet presence; all referral development tactics; and patient education materials. Bob and Prizm continually serve loyally as a trusted advisor to our best interests, short term and long term.



— James Lynch, MD,  
Fellowship-trained spine surgeon  
Founder of SpineNevada

I have had the pleasure of working with Bob Reznik since 2003 when he helped with market survey, needs assessment and structuring our Spine Center... In large part due to Mr. Reznik's efforts, Carle Spine Institute has become the regional provider for spine services in our area. He has been available since moving into our new building for troubleshooting. He has acted as a central repository for data so that we can compare our outcomes to his other programs. In summary, the Carle Spine Institute would not exist without the help of Mr. Bob Reznik. I have no hesitation whatsoever about recommending him to anyone else who is considering upgrading their spine services and attracting talented spine care providers.



— James Harms, MD, spine surgeon  
Carle Spine Institute

It is with sincere pleasure that I write this letter of reference in support of the great work done for our organization by Bob Reznik and Prizm Development. Bob worked with us to develop concepts and run pro formas. Now a year after moving ahead with support from Prizm on the marketing side, our spine service line has been successful beyond anyone's wildest hopes. Our community has had the great fortune to have had over 200 of our residents receive spine surgery in our first year right here at home instead of having to drive 160 miles to the next closest hospital, as had been the case in the past. Without the support from Bob Reznik and Prizm Development, we may not have taken the plunge into the development of our spine program. The investment we made our partnership with Prizm has paid for itself many times over.



— Rick Davis, CEO  
Central Peninsula Hospital, Kenai, Alaska