



# Trending Topics

Exclusively for members of the OrthoForum & OrthoConnect

**Going Episodic: Price, Build & Scale  
Prospective DTE Models**

# Save the Dates!

- [OrthoForum 2024 Annual Conference](#)  
February 29 – March 2, 2024  
JW Marriott Austin  
Austin, TX
- [AOF/WOF Combined 2024 Meeting](#)  
August 1 - 3, 2024  
Omni Interlocken Resort  
Broomfield, CO
- [Strategic Services 2024 Meeting](#)  
April 15 – 17, 2024  
JW Marriott Indianapolis  
Indianapolis, IN
- [ATOF/ROF Combined 2024 Meeting](#)  
August 22 – 24, 2024  
JW Marriott Washington DC  
Washington, DC

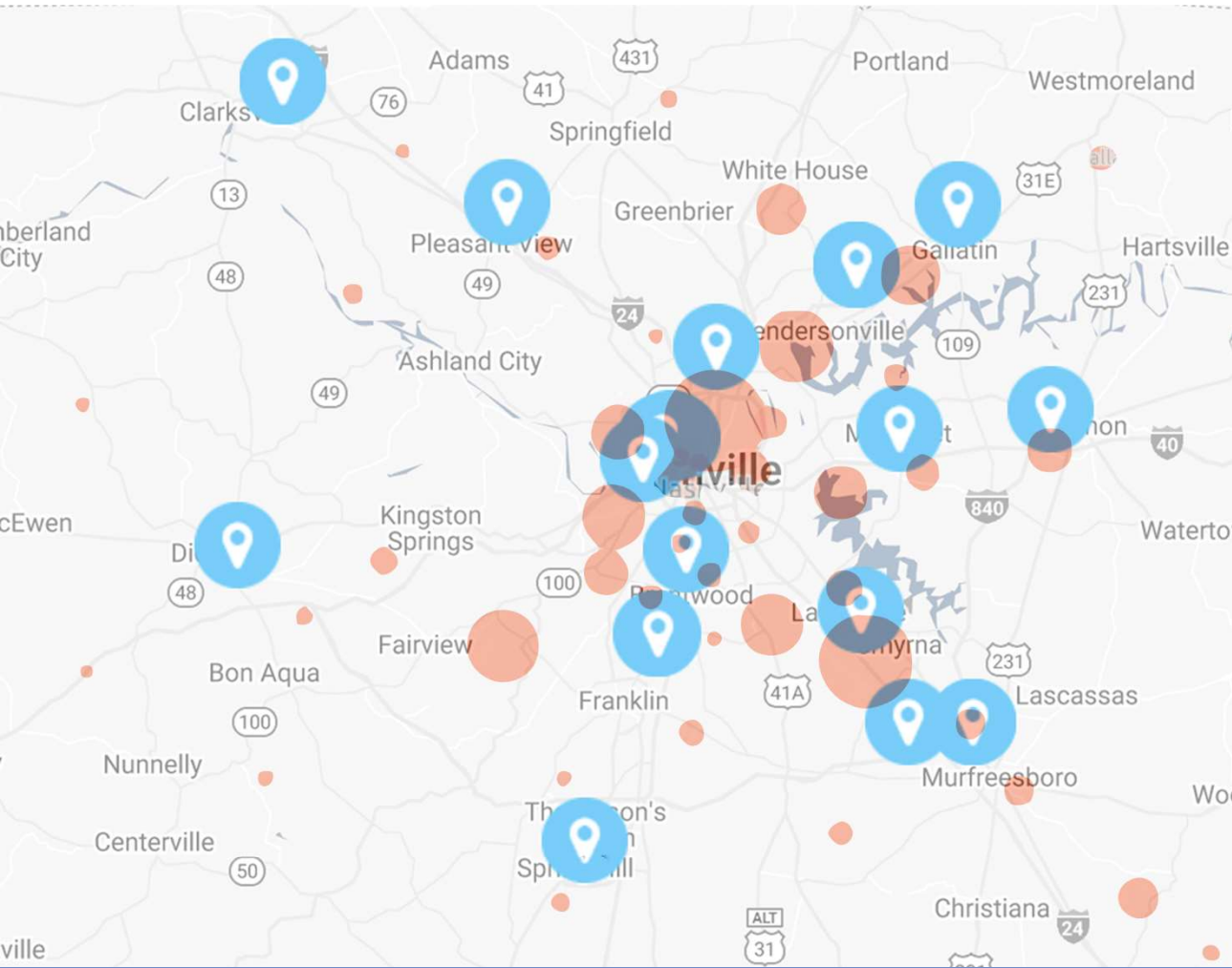


# Building and Publishing Your Prices

## Lessons Learned and Opportunities Gained

Rob Simmons, Chief Executive Officer  
Tennessee Orthopaedic Alliance





## MNPS vs. TOA Service Area

TOA Surgeons: 110

Physician Extenders: 60

Physical Therapy: 97

Locations: 30

Urgent Care: 10

Market map derived via Health Here data matching MNPS patient address to historical encounters

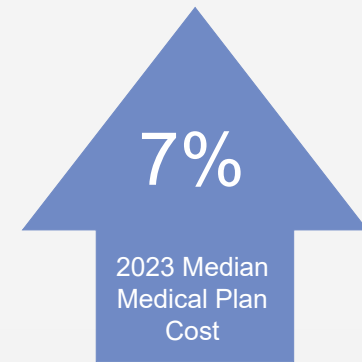
● Current MNPS Patient Address
 ● TOA Locations



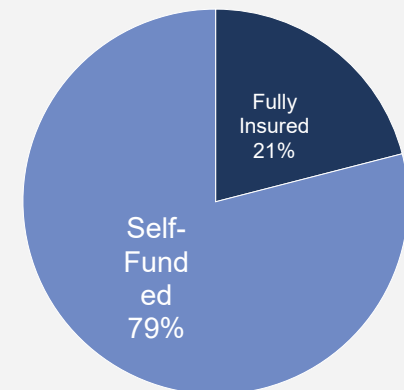
# Why Direct-to-Employer?

Allows for innovation and employer collaboration in addressing patient needs, yielding high-value care

- Timely, Frictionless Access
- Effective, Coordinated Care
- Predictable Cost, Sustainable Model



Why employers are actively seeking options beyond traditional plan design

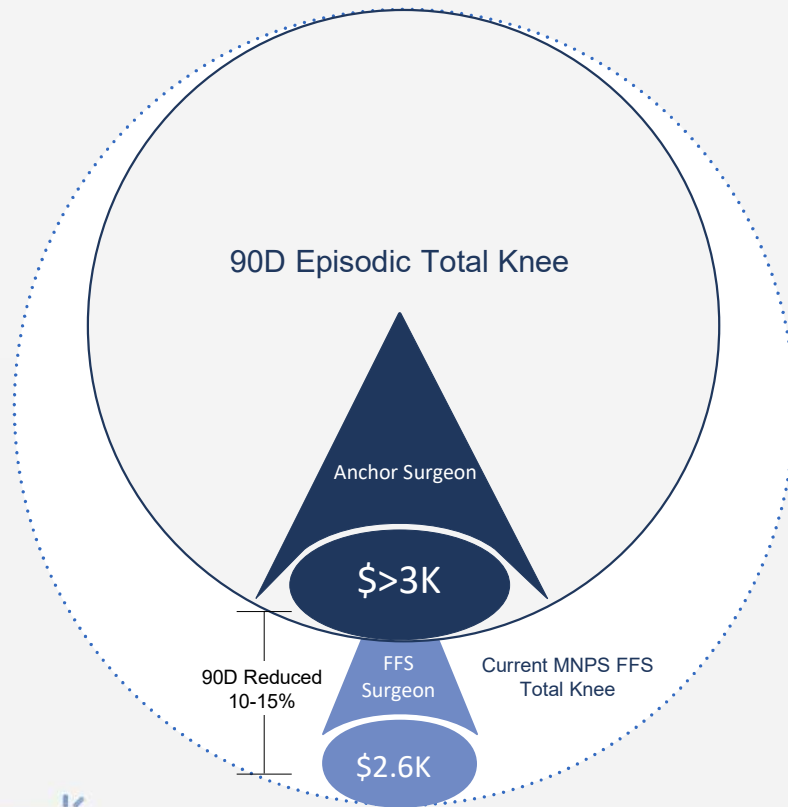


[www.ifebp.org](http://www.ifebp.org) 2023 Survey Results



# Manage Costs & Enhance Care

6



90-Day Surgical Care Episodes, realize 12% Savings

- Reduce the total cost of care while increasing group revenue.
- As the anchor provider, TOA is the episodic payor, allowing multiple distribution strategies to realize savings and optimize care delivery.
- Reduced administrative costs, removal of prior auth
- Reduce employer costs by 10-15% per episode while optimizing utilization.
- Surgeon professional fee increase, de-coupling from facility fee distribution dependency
- Enhanced care coordination



# Getting Started

- Target +80% MSK Coverage: 125+ Lead CPT codes, ASC Only
- 90 Day Episodes
- “First Dollar Coverage,” no out-of-pocket employee cost for all episodes
- Health Here analyzed claims history (6YR)
  - Filtered spending by target CPTs and ICD
- Health Here presented MNPS pricing analysis compared to market cost analysis to support TOA’s decision-making process

The screenshot displays the Qūb Analysis Panel interface. It features a list of CPT codes on the left, categorized under 'Episodic Lead CPT Description'. The right side of the panel contains several key financial metrics and calculators:

- Episodic Fee Net Value:** \$879,557.50 (Less Qūb Transaction Fee Deduction)
- Anchor Provider Profit:** \$175,911.50
- Surgeon Fee Calculator:**
  - CPT Professional RVUs by CPTs: 21.35
  - % Above Average Commercial Fee: 20 (with a slider)
  - Optimized Episodic Surgeon Fee: \$1,694
- Benchmark Commercial Surgeon Fee by CPT(s):** \$1,412 (2x CMS Conversion Factor)
- Anesthesia Fee Calculator:**
  - Estimated Market Anesthesia Units Per CPT: 12.18
  - Select Anesthesia Rate (\$): 80 (selected)
  - Target Anesthesia Fee: \$974.29
- Facility Fee Calculator:** Target Facility Fee

The Qūb logo is visible in the top right corner of the interface.



# Defining the Episodes

Episode Type	Pro	Con
DOSE: Date of Service	Low Barrier To Entry	<ul style="list-style-type: none"> <li>• Limited sustainability</li> <li>• Limits coverage scope</li> <li>• Limits anchor provider revenue opportunity</li> <li>• Non-differentiator</li> <li>• Low Barrier to Entry (Potentially not viewed as differentiator to employer)</li> </ul>
90D+ Surgical Care	<ul style="list-style-type: none"> <li>• Allows anchor provider to fully realize care management opportunities</li> <li>• Optimizing revenue and cost savings</li> </ul>	<ul style="list-style-type: none"> <li>• Requires more setup and systems approach</li> <li>• Requires TPA coordination</li> </ul>
90D+ Conservative Care (Non-surgical)	<ul style="list-style-type: none"> <li>• Provides scope of coverage to employer,</li> <li>• Simplifies plan design,</li> <li>• Enables anchor provider patient funnel</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership for operational setup</li> <li>• Requires systems approach</li> <li>• Anchor provider coverage/access requirements</li> </ul>



# Covered Services

- Diagnostic:** E/M+Xray, Advanced Imaging (Flat Rates, First Dollar Coverage, Advanced Imaging Prior Auth waived)
- Surgical Care Episode:** Surgeon fee, implant, anesthesia fee, facility fee, DME, PT/OT,
- Conservative Care:** Injection, Physical Therapy, DME, MD/NP/PA Follow-up
  - Anatomical vs. severity categories define Conservative Care Price Tiers:
    - Acute Knee Pain
    - Chronic Knee Pain
    - Advanced Knee Pain

The screenshot shows the 'Episode Library' interface with a table of medical episodes. A red circle highlights a row for 'Unilateral Total Hip Replacement includes femur and acetabular resurfacing and implants'.

Anatomy Group	Episode Type	Episode Name	Description	Services	Amount	Published	Actions
Hand & Upper Extremity	38448	Trigger Finger	Tendon sheath incision of the thumb	Surgeon Anesthesia Facility Fee	\$900.00	Pending	Approve Deny
Joint Replacement	27447	Total Hip Replacement	Unilateral Total Hip Replacement includes femur and acetabular resurfacing and implants	Surgeon Advanced Imaging Anesthesia Facility Fee Rehab	\$24,000.00	Pending	Approve Deny
Shoulder & Elbow	47557	Shoulder Replacement	Partial (Hemi-arthroplasty) or Total Shoulder Replacement. Includes necessary implants.	Surgeon Advanced Imaging Anesthesia Facility Fee Rehab	\$26,000.00	Pending	Approve Deny
Shoulder & Elbow		Unilateral Total Hip Replacement includes femur and acetabular resurfacing and implants	Unilateral Total Hip Replacement includes femur and acetabular resurfacing and implants	Surgeon Advanced Imaging Anesthesia Facility Fee Rehab	\$11,500.00	Pending	Approve Deny
		Partial (Hemi-arthroplasty) or Total Shoulder Replacement. Includes necessary implants.	Partial (Hemi-arthroplasty) or Total Shoulder Replacement. Includes necessary implants.	Surgeon Advanced Imaging Anesthesia Facility Fee Rehab	\$		
		Arthroscopic repair of a torn labrum, including attachment to shoulder socket or cuts your biceps tendon that's attached to your labrum and attaches it to your humerus.	Arthroscopic repair of a torn labrum, including attachment to shoulder socket or cuts your biceps tendon that's attached to your labrum and attaches it to your humerus.	Surgeon Advanced Imaging Anesthesia Facility Fee Rehab	\$		
		Arthroscopic Rotator Cuff Repair	Arthroscopic Rotator Cuff Repair	Surgeon Advanced Imaging Anesthesia Facility Fee Rehab			
		Arthroscopic repair of the torn rotator cuff, including suture and/or anchors.	Arthroscopic repair of the torn rotator cuff, including suture and/or anchors.				



# TCO TJR Bundle Program

TOA has also worked with Twin Cities Orthopedics (TCO) in replicating their prospective total joint and spine bundle programs aimed specifically at large payers.

- The Pricing model has been in place for 10-plus years with minor adjustments during that time period
- 90 days from surgery through recovery
- ASC only
- Care pathways designed by the surgeon, anesthesia team, and nursing
- Preoperative education to patients and family members
- The surgeon must follow the patient
- Nurse navigator during the entire episode (Concierge approach)



## Strategies for Engaging 3rd Party Providers/Facilities

- Be proactive and early in approaching anesthesia and facility before setting an employer ceiling price
- Demonstrate pricing market intelligence during third-party negotiations
- Promote prompt (1-2 Day), automated ACH payments
- Promote removal of patient financial liability, patient satisfaction
- Promote value as a participant of the high-value network as a market differentiator
- Emphasize the growth opportunity (steerable, margin-accretive patients)



# Automate Episodic Payments

- Leverage ACH payment technology
- Support multi-stakeholder payments
- Audit/Log all financial transactions
- Leverage analytics to optimize episodic financials

The image illustrates the integration of mobile notifications with a financial management system. A hand holds a smartphone displaying an 'Enhanced Benefits' notification from Metro Nashville Public Schools. A blue arrow points from the phone to a screenshot of the TOA (The Office of Analytics) software interface. The software interface shows a dashboard with appointment status filters (34 Scheduled, 13 Pre Checked, 5 In Progress, 5 Review, 2 Checked In, 3 Done) and a table of appointments. One appointment for 'Jones, Mike' is highlighted in red, indicating an 'Episodic: MNPS' status. Below the table, there are two detailed views: 'Episodic Payments' showing a patient summary for '90D Total Knee Replacement' and 'EPISODE FEE DISTRIBUTION' for various services like SURGEON, FIRST ASSIST, ANESTHESIA, ASC, PHYSICAL THERAPY, and IMPLANT, each with a 'Pay' button.



# Challenges and Lessons Learned

- Challenges: Identifying the “right” employers. Understanding the broker/employer relationship and level of influence. Labor-intensive business development. Obtaining meaningful employer claims data.
- Lessons Learned: Engage with TPA during the process
- First Dollar Coverage: \$0 out of pocket (“FREE”), what is covered?
- Coordinate with navigator/concierge service if employer-provided. Steerage to receive the benefit is paramount.
- Inservice on internal workflows and communication with staff. Designate a senior leader to “own” the episode process from beginning to end.
- Identify pre-existing relationships between physicians and company executives to identify future opportunities.
- Ok, to do a “small” deal (300-400 FTE). Gain experience now, learn, and iterate.



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# Thank you for joining us.

