



# Trending Topics

Exclusively for members of the OrthoForum & OrthoConnect

## Building & Pricing Orthopedic Bundles

# Save the Dates!

- [OrthoForum 2024 Annual Conference](#)

February 29 – March 2,  
2024

JW Marriott Austin  
Austin, TX

- [Strategic Services 2024 Meeting](#)

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Omni Interlocken Resort  
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August 22 – 24, 2024

JW Marriott Washington DC  
Washington, DC



# Building & Pricing Your Bundles

Watauga Orthopaedics

**Presented by:**

Kim Wishon Marden, MBA, FACMPE

Chief Executive Officer

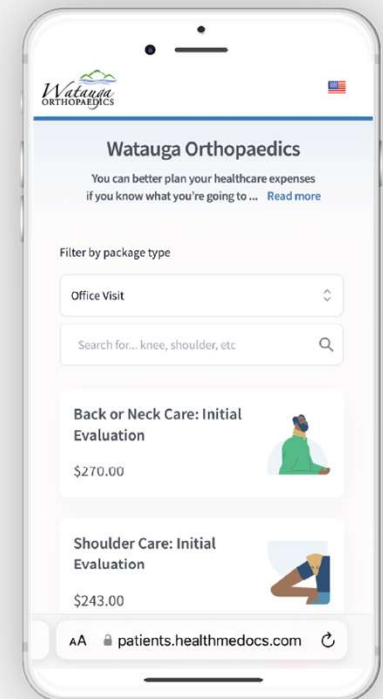
Watauga Orthopaedics, PLC



# About Watauga Orthopaedics

We've had transparent pricing for *office-based care* since March 2022.

- Three locations in Northeast, TN
- 21 physicians
- 22 Advanced Practice Providers
- 220 Staff
- ASC Opened August 2023
- **Surgical bundles launched November 2023.**



# Why start with office-based care?

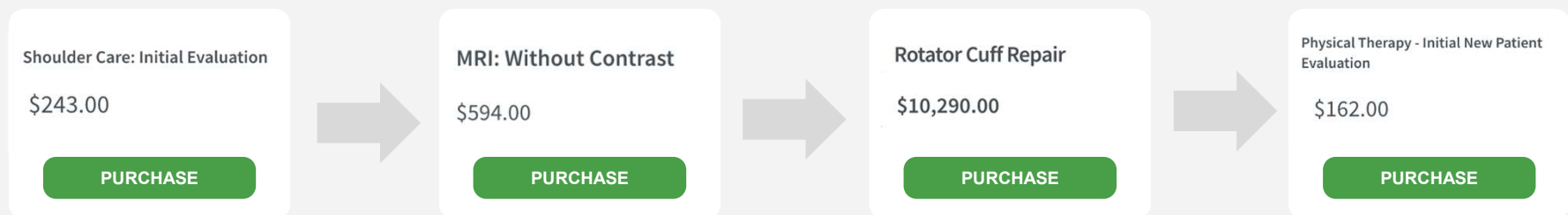
It's good for business and is THE RIGHT THING TO DO.

- Prominently placing transparently priced services for office visits, imaging, physical therapy and in-office procedures on our website was a **huge first step** for our market.
- Office-based bundles put us 'on the map' with self-insured ecosystem.
- It familiarized our physicians and staff with the process and laid the groundwork for surgical bundles.
- No patient ever starts at the surgery process. **They start with the consult.**
- We were building our ASC and wanted to prepare for the future bundles.




# The direct-pay care cycle

- Every encounter starts with the consult.
- Keep your bundles “day of service,” episodic, simple, & straight-forward.
- Ensure your bundles match your peers in terms of **consistency of components** and are in line with market prices.
- We went “all in” and launched 40 surgical bundles **last week**. Arriving at our prices was an iterative process.



# Leverage all data for informed decisions

<b>Bundled Surgery Packages</b>		 Approximate % of		Transparency Partner	
Bundle	Primary CPT Code	Proposed Bundled Fee	Medicare Reimbursement	Regional Average	Watauga Variance
Clavicle Fracture Repair	23035	\$ 6,000	100%	\$ 10,000	40%
Shoulder Manipulation under Anesthesia	23700	\$ 2,070	100%	\$ 2,000	7%
Distal Biceps/Triceps Repair	24342	\$ 7,000	100%	\$ 8,000	11%
Elbow Fracture: ORIF	24605	\$ 8,700	100%	\$ 11,000	21%
Hand Fracture - Complex	26605	\$ 4,000	100%	\$ 4,000	0%
Total Hip Replacement	27130	\$ 38,000	100%	\$ 25,000	34%
Patellar Tendon Repair	27400	\$ 7,000	100%	\$ 8,000	11%
Partial Knee Replacement	27440	\$ 17,000	100%	\$ 20,000	14%
Total Knee Replacement	27447	\$ 38,000	100%	\$ 24,700	34%
Knee Manipulation under Anesthesia	27570	\$ 2,170	100%	\$ 2,000	7%
Achilles Tendon Repair	27600	\$ 7,400	100%	\$ 8,000	7%
Shoulder Arthroscopy - Basic	29620	\$ 4,100	100%	\$ 4,000	2%
Shoulder Arthroscopy - Complex	29630	\$ 6,000	100%	\$ 6,000	0%
Rotator Cuff Repair	29627	\$ 8,000	100%	\$ 10,000	20%
Elbow Arthroscopy	29800	\$ 4,000	100%	\$ 4,000	0%
Carpal Tunnel Release (Endoscopic)	29840	\$ 3,000	100%	\$ 4,000	33%
Knee Arthroscopy - Basic	29870	\$ 3,000	100%	\$ 3,000	0%
Knee Arthroscopy - Complex	29880	\$ 4,000	117%	\$ 4,000	0%
Ankle Arthroscopy	29894	\$ 4,370	100%	\$ 4,000	9%
Spinal Decompression w/o Fusion: 1 Level	63030	\$ 7,500	100%	\$ 10,000	25%
Spinal Decompression w/o Fusion: 2 Levels	63040	\$ 8,000	117%	\$ 10,000	20%
Carpal Tunnel Decompression	64721	\$ 2,000	100%	\$ 2,000	0%



# How much do you pay ASC/surgeon/anesthesia?

## Sample Analysis - Rotator Cuff Repair

- 100%
- 50%
- 25%
- 25%
- 0%

CPT Code	Procedure
29827	Arthroscopy rotator cuff repair
29828	Arthroscopy biceps tenodesis
29824	Shoulder arthroscopy/surgery (mumford procedure)
29823	Shoulder arthroscopy/surgery (extensive)
29822	Shoulder arthroscopy/surgery (limited)

Anesthesia	
2022 Medicare	Targeted %
	150%
\$ 800.00	\$ 1,200.00
\$ 100.00	\$ 150.00
\$ 200.00	\$ 300.00
\$ 300.00	\$ 450.00
\$ 400.00	\$ 600.00
\$ 500.00	\$ 750.00
\$ 600.00	\$ 900.00
\$ 700.00	\$ 1,050.00
\$ 800.00	\$ 1,200.00
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# The End Result?

## Own the Bundle.

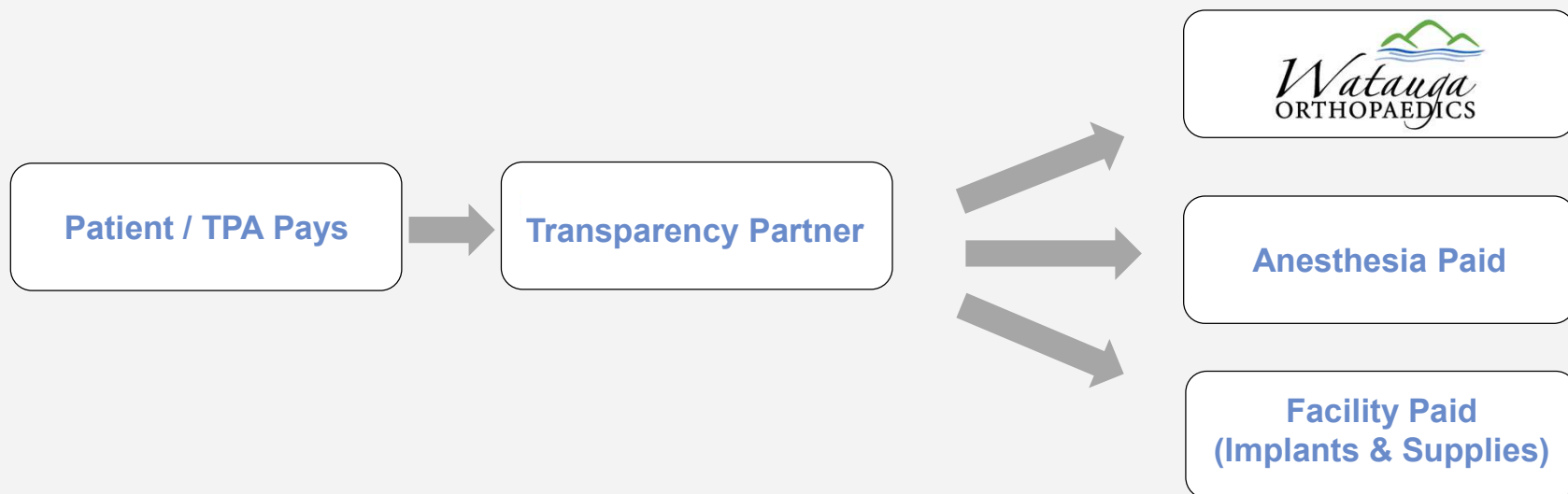
Methodology for distribution of the bundle depends on ownership / goals.



# Bundle Payment Logistics

When you own the bundle, you control payment.

Transparency Partner can automate payments to all parties.



# Challenges & Lessons Learned

## Challenges

- What is the right price?
- How to divide the \$ among participants?
- How do you pay all participants if you own the bundle?
- Negotiating with outside parties.
- Defining the process.

## Lessons Learned

- Don't do this in a vacuum! Leverage friends and partners.
- Bundle ALL of your services to offer the complete care cycle.
- Patients like the transparency.
- Very detailed process; one step at a time.



# Building & Pricing Your Bundles

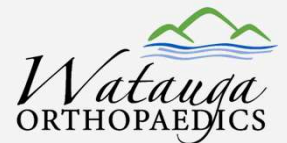
Watauga Orthopaedics

**Need a Friend?**

Kim Marden

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Cell: 423-292-9301



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# Thank you for joining us.

