Perioperative Surgical Home (PSH) Model & Learning Collaborative

American Society of Anesthesiologists®

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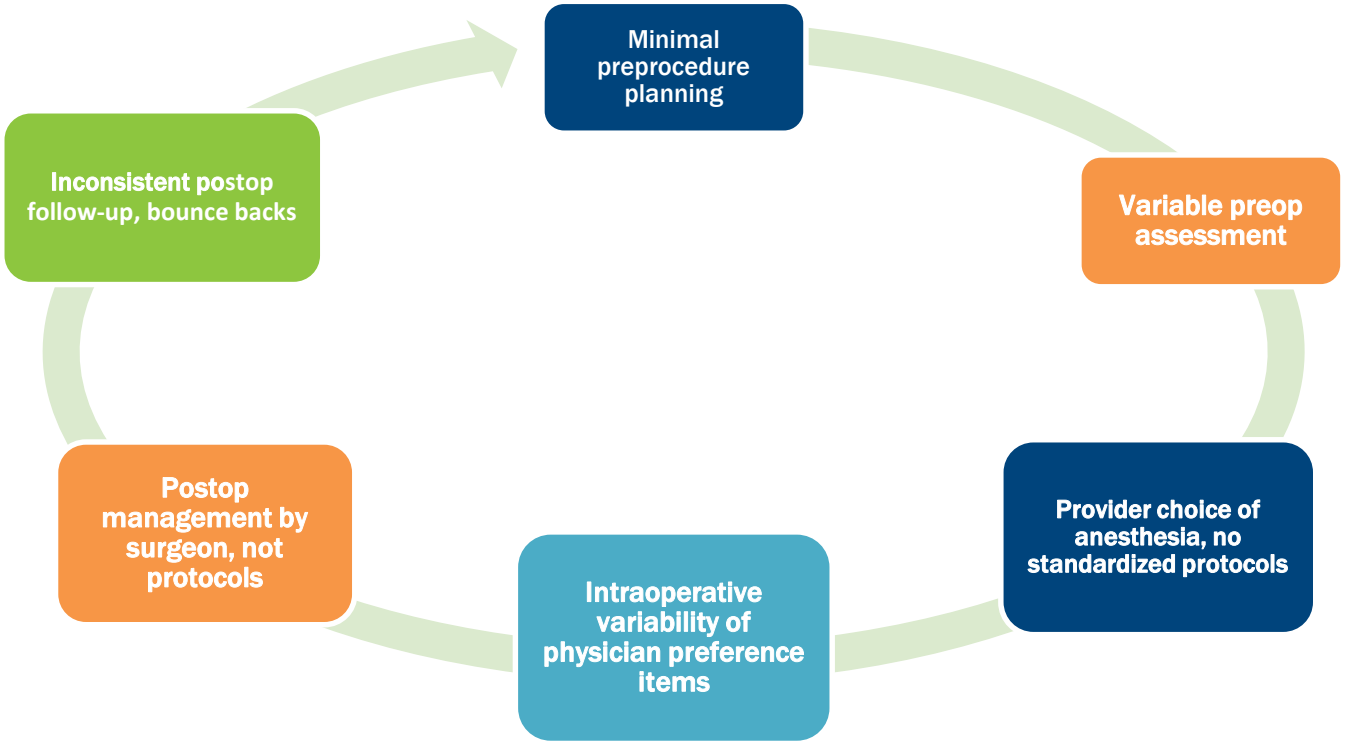
Agenda

- What is the Perioperative Surgical Home (PSH) Model
- Perioperative Surgical Home Portfolio
- Outcome Report on the PSH Learning Collaborative 1.0
- Progress Report on the PSH Learning Collaborative 2.0
- Monetization of the PSH Model

Current surgical care is highly variable and fragmented

- Caregivers working in silos
- Occurs in disjointed phases
- High cost
- Delays and inefficiencies
- Long lengths of stay
- Unhappy patients
- High complications and suboptimal outcomes
- Unnecessary or prolonged SNF/home postoperative care

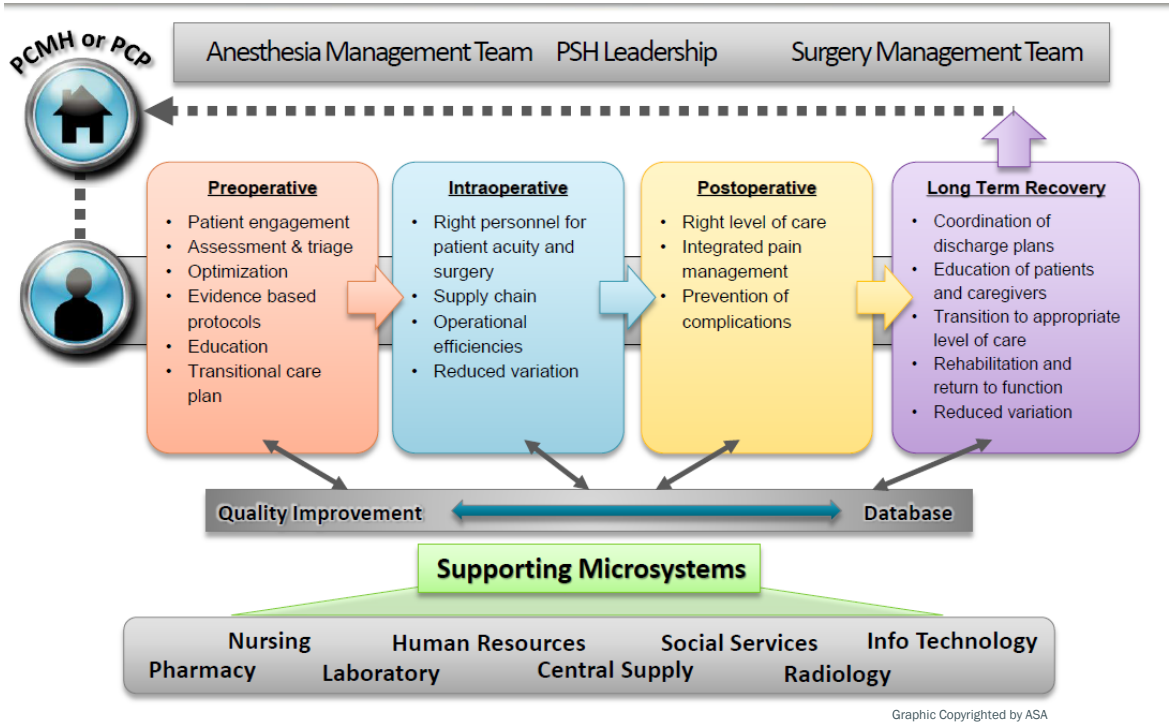
Traditional Surgical Management



The Perioperative Surgical Home Model

- Is a patient-centered, physician-led, interdisciplinary, and team-based system of coordinated care.
- Spans the entire surgical episode from the decision of the need for an invasive procedure – surgical, diagnostic, or therapeutic – to discharge and beyond.
- Designed to achieve the triple aim of improving health, improving the delivery of healthcare, and reducing the cost of care.

Perioperative Surgical Home (PSH) Model



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Examples of Key Enhanced Recovery/Perioperative Surgical Home Strategies

- Pre-op patient risk stratification and optimization
- Meaningful patient/family education
- Evidence based pre-op testing and care protocols
- Pre-op discharge planning
- Multimodal anesthesia focused on limiting opioids
- Carbohydrate loading

Examples of Key Enhanced Recovery/Perioperative Surgical Home Strategies

- Judicious fluid management
- Earlier ambulation and nutrition
- Nausea/vomiting management
- Continuation of care processes through discharge from SNF or home care
- Continuous performance improvement

Benefits of the Perioperative Surgical Home

- Improves surgical outcomes
- Eliminates silos and the fragmented care process
- Decreases unnecessary testing and utilization of healthcare resources
- Assures appropriate cost-effective post discharge care
- Provides cohesive management of the surgical patient beginning with the preoperative period and ending 30/60 days after discharge
- Enhances the patient and family experience

Aligned with the Ongoing Shift from Volume to Value

Because the PSH care model has demonstrated significant reduction in complications, length of stay, and readmissions, it is particularly effective in positively impacting value based payment models, including:

- CMS' Bundled Payment for Care Improvement (BPCI) Program
- CMS' Comprehensive Care for Joint Replacement (CJR) Program
- CMS' Medicare Shared Savings Program (MSSP)
- Medicaid Bundled Payment Programs
- Commercial Accountable Care Organizations (ACOs)
- Commercial Bundled Payment Programs

PERIOPERATIVE SURGICAL HOME™ *Portfolio*

A comprehensive suite of services, resources and tools that support team-based care through education, consultation, engagement and economics.

American Society *of* Anesthesiologists®

Education:
Offering PSH content at these learning events

PRACTICE MANAGEMENT™ 2018
JANUARY 26-28 | HYATT REGENCY NEW ORLEANS | NEW ORLEANS, LA

ANESTHESIOLOGY® 2018
SAN FRANCISCO OCTOBER 13-17

Engagement: Collaborating with team-based care members

Engagement: Collaborating with team-based care members

- Health Care Professional Associations
- National Hospital/Health System Associations
- Patient advocacy groups
- Premier

Economics: Supporting today, influencing tomorrow

- ASA is active in discussions with CMS and Private Payers to advance the PSH Model
- The goals of the PSH Model are aligned with those of goals of a variety of value-based models in both the public and private sector including: MACRA-MIPS, MACRA-APMs, BPCI, CJR, Medicaid Bundled Payment Programs, Commercial Accountable Care Organizations and Commercial Bundled Payment Programs

PSH MIPS Improvement Activities (IAs)

The following PSH IAs are proposed to be accepted for 2018:

- **PSH Care Coordination:** Allows for reporting of strategies and processes related to care coordination of patients receiving surgical or procedural care within a PSH.
- **PSH Population Management:** Allows for reporting of strategies and processes related to the population management of patients receiving surgical or procedural care within a PSH.

Since both the PSH Care Coordination and Population Management activities are Medium weighted activities that means that for a general clinician under MIPS, simply participating in a PSH pilot will satisfy **half** of their reporting requirements under the Improvement Activity category of MIPS. Furthermore, those clinicians who are labelled non-patient facing (which CMS has confirmed that most anesthesiologists will fit into) will receive full credit in the IA category.

PSH MIPS Advancing Care Information (ACI) Credit

- The PSH Care Coordination activity received the rare distinction of being eligible for the Advancing Care Information (ACI) bonus.
- Typically, participants would have to report wholly separate measures for both the IA and the ACI measures, however, CMS has recognized the PSH care coordination activity as also counting towards **10% of their ACI score**.
- Only one in four activities has been recognized for this bonus and it represents a huge step forward for providers who spend significant time and resources in providing care coordination in a PSH pilot.

Consultation: Providing customized consultation services

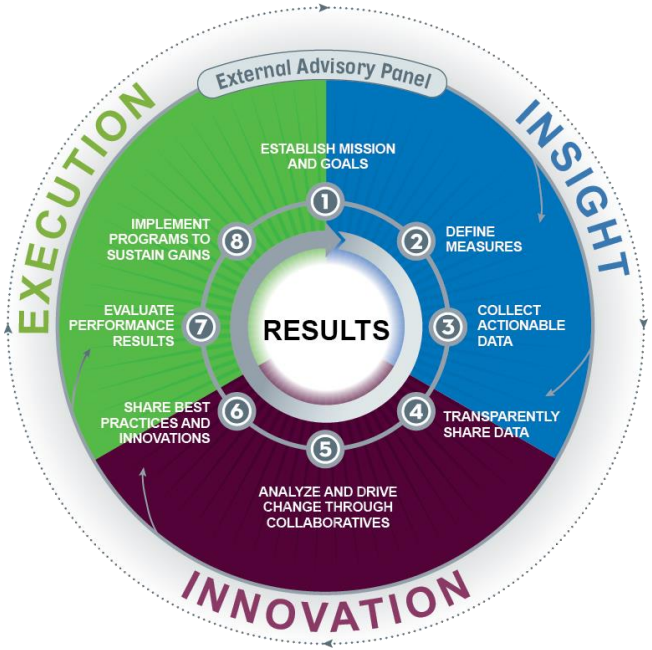
The PSH Learning Collaborative

Brings together leading organizations from across the country to learn from each other and subject matter experts to prepare for implementation of the PSH or to optimize performance post-implementation, including:

- Increased adherence to evidence-informed guidelines and pathways
- Improved quality and safety of perioperative care
- Reduced complications and readmission rates
- Reduced surgical costs and superior value
- Enhanced patient and family experiences

Collaborative Methodology

"Knowing is not enough; we must apply.
Willing is not enough; we must do."
- Johann Wolfgang von Goethe



Accelerating Performance Improvement

Measure with defined metrics

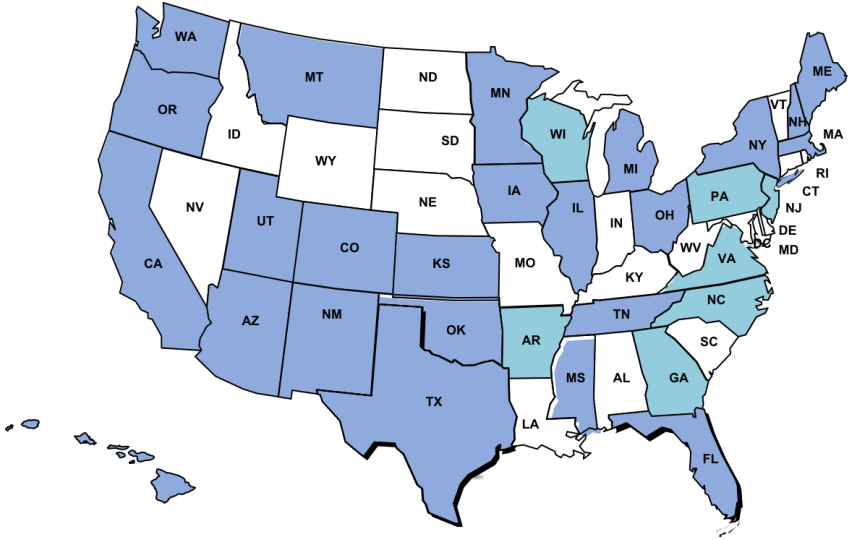
Report transparently

Share best practice

Execute collaboratively

PSH LC 1.0 & 2.0 Members

- 88 unique organizations comprised of:
- Academic Medical Centers
- Community Hospital/Health Systems
- Pediatric Hospitals
- Physician Group Practices
- 32 states represented



PSH LC 1.0 & 2.0 Members

PSH Learning Collaborative 1.0 – Pilots Launched

- 32 of 44 organizations (73%) successfully launched one or more pilots
- Collectively, members launched a total of 64 pilots
- The number of PSH cases completed by each pilot ranged from 14 to 2,700+

- The most common pilots include:
  - Orthopedics (20)
  - Colorectal (6)
  - Urology (5)
  - General Surgery (4)
  - ENT (3)
  - Neurosurgery/Neurovascular (3)
  - Spine (3)

PSH Learning Collaborative 1.0 – Sample Outcomes

A children's hospital implemented the PSH for adenoidectomy procedures in early 2015. Some of their preliminary results include:

- 32% decrease in pharmacy costs
- 53% decrease in overall costs
- Savings to the hospital of nearly $50,000 across the first 19 cases

An academic medical center implemented the PSH for joint replacement procedures in 2014. Key results include:

- 28% reduction in average length of stay
- Increased percentage of patients going home rather than to a skilled nursing facility from 17.6% to 32.9%

PSH Learning Collaborative 1.0 – Sample Outcomes (continued)

A community hospital implemented the PSH for total hip and knee joint replacements between 2013 and 2015. Some of the preliminary results include:

- Decrease from 11.9% to 1.9% in readmission rates for total hips
- Decrease from 6.3% to 3.7% in readmission rates for total knees
- Estimated savings of $7,655 over target for each BPCI total joint episode
- Decrease from 25% of patients discharged to SNF or inpatient rehab to 7%
- Increase in patients going home without home health to 67%

Pilots Launched in the PSH LC 2.0

- To date 192 pilots planned or underway
- Total number of cases completed exceeds 37,000

- Most common pilots include:
  - Ortho 33
  - Colorectal 28
  - Pediatrics 17
  - General Surgery 13
  - GynOnc 12
  - Urology 11
  - CABG 5
  - Bariatrics 6

Sample Outcomes from PSH LC 2.0 Length of Stay

- Midwest Academic Center reduced LOS for total joints from 4.6 to 2.1 days
- Community Hospital reduced LOS for colorectal surgery from 5.2 to 3.8 days
- Southeast Community Hospital reduced LOS for total joints from 3.0 to 1.8 days
- West Coast Academic Center reduced LOS for urology surgery by 1.3 days

Sample Outcomes from PSH LC 2.0 (continued)

30 Day Readmission Rate

- Pediatric Hospital reduced rate for Laryngeal Cleft patients from 8.3% to 7.5%
- West Coast Academic Center reduced rate for urology patients to less than 10%
- Southeast Community Hospital reduced rate for orthopedic patients by 35%
- Midwest Academic Center reduced readmissions for orthopedic patients by 50%

Sample Outcomes from PSH LC 2.0 (continued)

Post Discharge Care

- West Coast Academic Center increased patients discharged to home by 38%
- Southeast Academic Center increased patients discharged to home by 18%
- Southeast Community Hospital reduced admissions for orthopedic patients to SNF by 22% and admissions to home health by 34%
- Midwest Academic Center reduced readmissions for orthopedic patients by 50%

Sample Outcomes from PSH LC 2.0 (continued)

Cost of Case Reduction

- Southeast Regional Center reduced total joint cost per case by $1,816 and colorectal cost per case by $1,046
- West Coast Academic Center reduced operational costs for laparoscopic nephrectomies and open nephrectomies cases by 50%
- Southeast Community Hospital demonstrated an average savings of over $4,000 per Orthopedic case

Summary

- Surgical care is fragmented, non-standard, expensive, and fraught with complications and sub-optimal outcomes
- The Perioperative Surgical Home introduces a coordinated system of care
- Providing cohesive management and resulting in few complications, improved outcomes, lower resource utilization and enhance patient/family experience
- Positively impacting emerging value based payment models

Thank you

- For additional information, please contact:
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