

The Gold Standard of the Future: Outpatient Total Joint Arthroplasty Centers of Excellence

*How to speed adoption and develop true
centers of excellence*

It's no secret that outpatient total joint replacement is on the rise. Patients across the country are now being routinely discharged same-day after having total hip or knee replacement procedures. Despite predictions that total joint replacements will rapidly shift to outpatient, the vast majority of these surgeries are still performed in the hospital with at least one overnight stay. The transition to same day discharge does not appear to be happening uniformly, with certain regions moving faster than others and a wide-variance in physician attitudes and approaches to outpatient TJA. Many leading total joint replacement surgeons are ready to make the shift to outpatient in a big way. For those physicians, the opportunity to develop a first-to-market total joint surgery center of excellence is very real.



*A study by research firm
Sg2 projected 52% of all
knee replacements will be
outpatient by 2026¹*

THIS ISSUE BRIEF WILL DISCUSS TWO THINGS:

1. Why adoption is so slow and why some physicians are ahead of the curve.
2. An ideal model for a surgery center specifically dedicated to the performance of total joint replacement.

¹ Available: <https://www.healio.com/orthopedics/journals/ortho/2016-7-39-4/%7B2201a0dc-ddf6-48cb-9f9b-565577edbc44%7D/total-joint-arthroplasty-in-a-stand-alone-ambulatory-surgical-center-short-term-outcomes>



Quality First

At this point, the data are fairly clear: TJA in freestanding surgery centers for the properly selected patient can be a safer alternative to the hospital setting. A 2016 study by Dr. Bertrand Parcells et al¹ showed that, of 51 consecutive ASC TJA patients, only one was not discharged to home same-day (due to a pre-arranged rehab facility admission) and none had major complications after 90 days. Another study by Dr. Gregg Klein et al of Hartzband Center for Hip and Knee Replacement found that, of 549 patients who underwent TJA procedures in a surgery center, only three were admitted to the hospital within four days.² Another recent study by Dr. Patrick Toy of the Campbell Clinic followed 145 patients receiving outpatient TJA and arrived at similar conclusions: there is no increased risk of hospital readmission and complications following same-day discharge TJA.

FACTORS CONTRIBUTING TO THIS NEW DYNAMIC

- » Better understanding of patient selection protocols
- » A growing, younger (under 65) population undergoing TJA procedures
- » Advancements in pain management techniques employed both perioperatively and post-operatively
- » Advancements in infection control techniques
- » Minimally invasive surgical techniques
- » A growing body of research illustrating the safety and efficacy of same-day discharge joint replacement

So Why Not Faster Adoption?

The answer lies with the surgeon. Unlike other industries where fresh technology is met with enthusiasm, early adoption in surgery is sometimes met with hesitancy. After all, trying a new smartphone or even a new car is a lot less risky than a new surgical protocol. Surgeons will default to what they know works, knowledge that often takes root during training. The single largest factor to overcome this hesitancy is experience. Surgeons with a very high-volume practice simply have a greater sample size. They have a better

² Available: [https://www.arthroplastyjournal.org/article/S0883-5403\(16\)30739-2/fulltext](https://www.arthroplastyjournal.org/article/S0883-5403(16)30739-2/fulltext)



OTHER KEY FACTORS AFFECTING THE PACE OF ADOPTION

- » Financial disincentives for health systems
- » Unwillingness of payers in certain states to adopt
- » Physician risk tolerance
- » Physician age
- » Certificate of Need laws in certain states
- » Lack of Medicare approval for ASC-based total joint replacement

understanding of patient outcomes. They can more easily test and transition into new surgical and pain control techniques. Many surgeons that perform a high volume of same-day discharge for patients have spent years tweaking protocols and have a firm grasp on the benefits of outpatient TJA surgery. One such surgeon is Dr. Philip “Flip” Clifford of Outpatient Joint Replacement Centers of America in Tampa, FL.

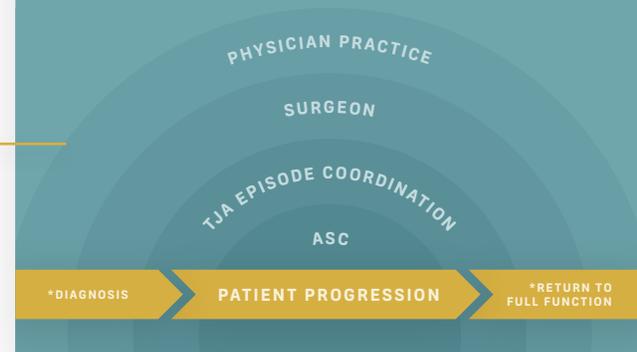
“Same day discharge for total joint replacement is not only a reality, it will become the standard,” says Dr. Clifford. “With the proper surgical protocol, patients undergoing same day joint replacement will have less pain, less blood loss, a quicker return to full functionality, and it will be much less expensive for the patient and the system as a whole.”

TJA Surgery Center of Excellence

While many surgery centers around the country have embraced total joint replacement, few are entirely centered around the concept. Specialization is at the heart of healthcare innovation and quality. In our experience operating ASCs, we view the total joint center of excellence as the **future gold standard**. So, what is the model? Key components include:

- » Integrated process across physician practice and surgery center to provide seamless patient education, planning, surgery, care coordination, and outcomes tracking
- » Efficient surgery center (one to three operating rooms)

ASC, Surgeon, Physician Practice, and Care Coordination Processes Integrated to Provide Superior Patient Experience





- » Total joint specialists with additional orthopedic surgeon partners or pain management specialists filling out available block time (this can be a great proposition for the non-joint specialists)
- » Concierge-like feel
- » Specialized patient education programs centered around the surgery center
- » Strong post-acute partners (PT and home health)
- » Staff specialized in the care of total joint patients, providing superior care to that of hospitals or generalized ASCs
- » In-state payers willing to establish contracts or provide out-of-network coverage to patients

What are the Foundational Elements Necessary to Build a Center of Excellence?

- » High volume individual practice with sizable private pay volumes
- » Well established community referral streams
- » Ability and willingness to trial outpatient cases in the hospital, then shift to outpatient facility
- » Multiple TJA specialists in the practice or market with which to partner
- » Surgeons committed to patient outcomes

Surgeons that meet these criteria should be highly motivated to explore a center of excellence.

THIS MODEL HAS THE POTENTIAL TO EXCEL IN TWO KEY AREAS:

- 1** Superior clinical quality and patient experience for the properly selected patient.
- 2** High financial returns for individual physician investors. The financial potential owes to a smaller facility footprint and a small physician partnership.

WHAT DOES SUCCESS LOOK LIKE?

- ✓ 500 or more outpatient total replacements in a single facility
- ✓ 50%+ EBITDA margins
- ✓ 6 to 8 physician partners
- ✓ Strong payer relationships, strong community reputation
- ✓ Regional or national recognition
- ✓ Zero infections, zero hospital transfers

NEED TO ASSESS FEASIBILITY FOR YOUR TJA CENTER OF EXCELLENCE? CALL US

Will Holding, MHA

DIRECTOR OF STRATEGY FOR COMPASS SURGICAL PARTNERS

wholding@compass-sp.com