

THE BUSINESS OF ORTHOPAEDIC TRAUMA

17TH ANNUAL 2023

ORTHOPAEDIC TRAUMA COURSE

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UCSF GRADUATE

CONFLICTS

- **OWNER RENO ORTHOPAEDIC CENTER (roc)
AND ANCILLARY SERVICES**

THE BUSINESS OF ORTHOPAEDIC TRAUMA

- **OUTSTANDING FACULTY:**

- *STEVE OLSON MD*- DUKE TRAUMA
- *PETE ALTHAUSEN MD/MBA*- RENO TRAUMA
- *TOM BARBER MD*- SLOAN/KETTERING NY
- *ANTHONY WILLIAMS CWS/CLU*-
- MOASIC FINANCIAL, TEMPE AZ

THE BUSINESS OF ORTHOPAEDIC TRAUMA

GOALS FOR TODAY'S SYMPOSIUM:

DEFINE MODELS FOR SUCCESS, RESOURCE
MANAGEMENT, ANCILLARY SERVICES, HOSPITAL
PRACTICE EFFICIENCIES

PROVIDE TIPS FOR PERSONAL FINANCIAL GROWTH

THE BUSINESS OF ORTHOPAEDIC TRAUMA

WHY IS IT IMPORTANT?

INTRODUCTION

THE BUSINESS OF ORTHOPAEDIC TRAUMA

2023 HEALTHCARE PROFESSIONALS

TO PROVIDE THE BEST CARE, THE MOST EFFICIENT, COST
EFFECTIVE PRODUCT

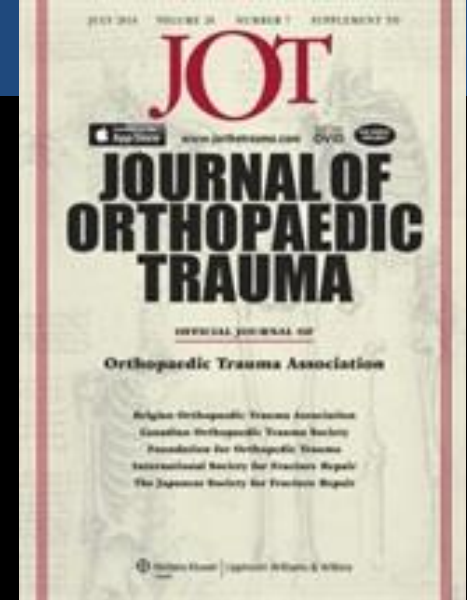
REQUIRES BOTH MEDICAL AND BUSINESS SKILLS

MORE CONNECTED TO THE ORGANIZATION, MORE
EMPOWERED TO CONTRIBUTE AND MORE COMMITTED
TO STAY

GUIDE THE MISSION VISION VALUES

J Orthop Trauma

2014 Jul;28(7 Suppl)



Reno Orthopaedic Clinic Trauma Business Curriculum.

THE BUSINESS OF ORTHOPAEDIC TRAUMA

**ONE FELLOW, ONE YEAR CLINICAL, WEEKLY
BUSINESS MEETINGS**

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**CORE HEALTHCARE MANAGEMENT PRINCIPLES
FOR HOSPITAL AND PRIVATE MEDICAL
PRACTICES**

**FACULTY INCLUDE UPPER MANAGEMENT ROC,
TRAUMA HOSPITAL**

2023- WHAT TRAUMA HOSPITALS NEED TODAY

**SUBSPECIALIZED TRAUMATOLOGISTS
QUALITY ASSURANCE PROGRAMS
COVERAGE MODELS THAT MEET NEEDS OF
COMMUNITY
EFFICIENCY-OPERATING ROOMS, THROUGHPUT
ANESTHESIA ALIGNMENT
OUTREACH, EDUCATION**

HOW TO GET THERE?

2023 WHAT HOSPITALS NEED TODAY

MEASURE WHAT YOU WANT IMPROVED

TURNOVERS

LOS

CARE PATHWAYS

UTILIZATION

2023 WHAT HOSPITALS NEED TODAY

MEASURING QUALITY, IDENTIFY METRICS

PROMOTES THE EFFECTIVE USE OF
ORTHOPAEDIC RESOURCES.

*THESE DATA INCENTIVIZES THE HEALTHCARE TEAM
TO WORK FOR IMPROVED OUTCOMES, COST
CONTAINMENT, EFFICIENCY AND STRUCTURE
BONUS PROGRAMS*

YOU CAN'T DO IT ALONE

MEET YOUR ADMINISTRATOR

A man with white hair and glasses, wearing a dark suit, white shirt, and red tie, stands in an office. He is holding a laptop in his left hand and has a pen balanced on his upper lip. A clock is visible on the wall behind him, and a pen holder with several pens sits on the desk in the foreground.

JD, MD, PHD, MBA

**STRATEGIC
PLAN**

**NOT GOOD AT
PARTNERSHIP
MODELS**

**NON TRANSPARENT
REGARDING
INSTITUTIONAL FINANCES**

ACCESS TO CAPITAL

KNOW THE NUMBERS

YOUR ADMINISTRATOR

YOU ***NEED TO KNOW***
HOW HE MAKES MONEY
FROM ORTHOPAEDIC
TRAUMA SERVICES

A man with white hair and glasses, wearing a dark suit and a red tie, stands behind a wooden desk. He is holding a laptop with both hands and has a pencil balanced horizontally in his mouth. On the desk to his left is a glass pen holder containing several pens. The background is a dark wood-paneled wall with a round clock. The text 'STRATEGIC PLAN' is overlaid in red on the lower part of the image.

**STRATEGIC
PLAN**

HOW HOSPITAL MAKES \$ FROM TRAUMA

- Trauma activation fees
 - RADIOLOGY CHARGES
 - LABORATORY FEES
 - CONSULTATIONS
- NOT ALL PATIENTS ARE UNINSURED

Trauma Contribution At Our Institution

Total Charges	\$ 77,719,354
Trauma Activation Fees	\$ 7,420,000
Xray	\$ 2,424,083
CT	\$ 12,638,411
MRI	\$ 612,480
Laboratory Fees	\$ 3,400,270

- Net profit was \$5.1 million

WHAT YOUR HOSPITAL NEEDS TO KNOW

YOU BRING INCREDIBLE
'VALUE' !

#1...REVENUE

WHAT YOUR HOSPITAL NEEDS TO KNOW

REVENUE, REVENUE, REVENUE....

*LEADERSHIP, STABILITY TO TRAUMA CHAOS,
SUPPLY CHAIN MANAGEMENT, SUPPORT
ANCILLARY SERVICES, HELP IN MIDDLE
LEVEL CLINICAL AND HIGH LEVEL MANAGEMENT
RECRUITMENT*

YOUR ADMINISTRATOR



**STRATEGIC
PLAN**

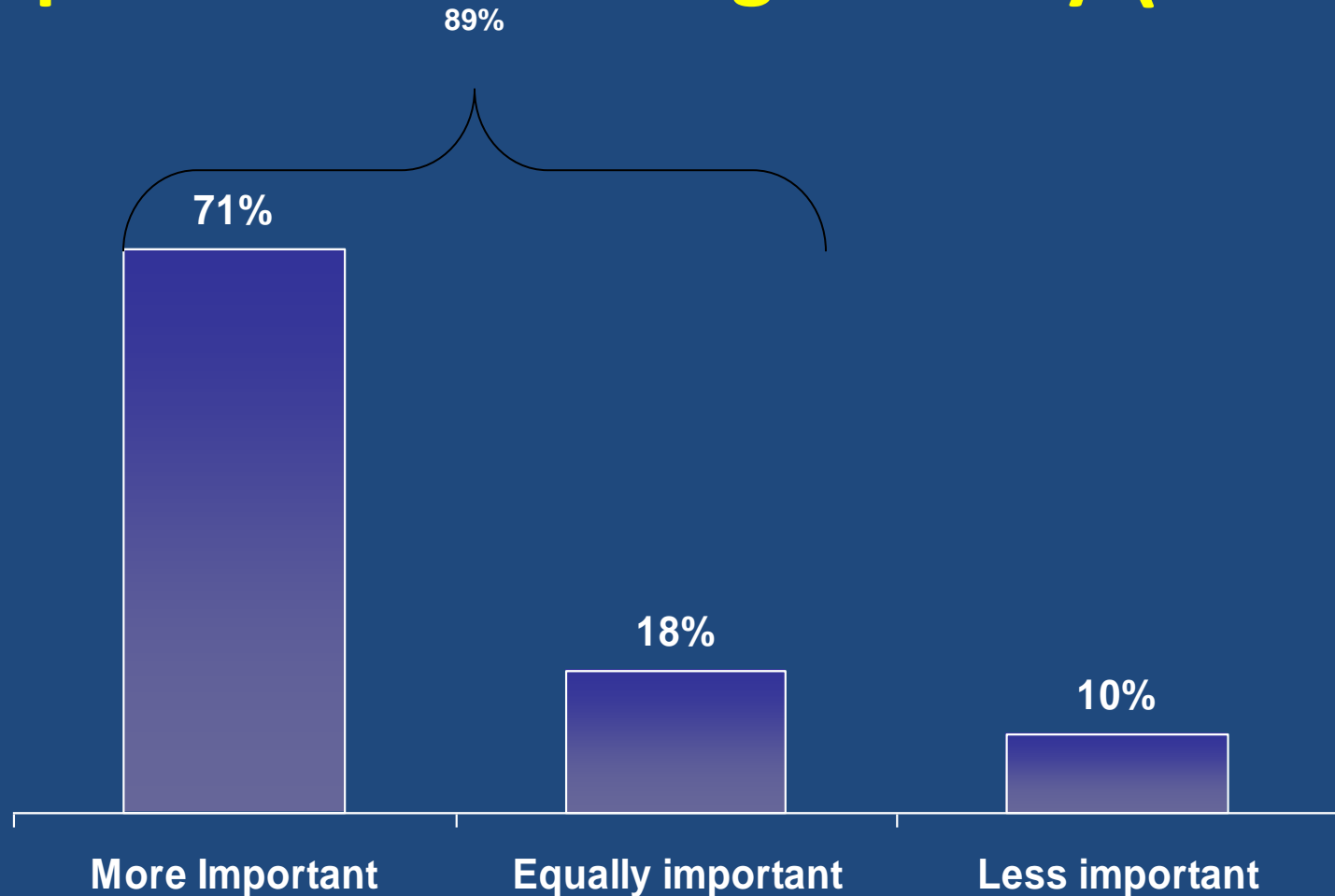
**WHAT ELSE DOES
HE NEED TO
KNOW.....**

**And you can
remind
Him....**

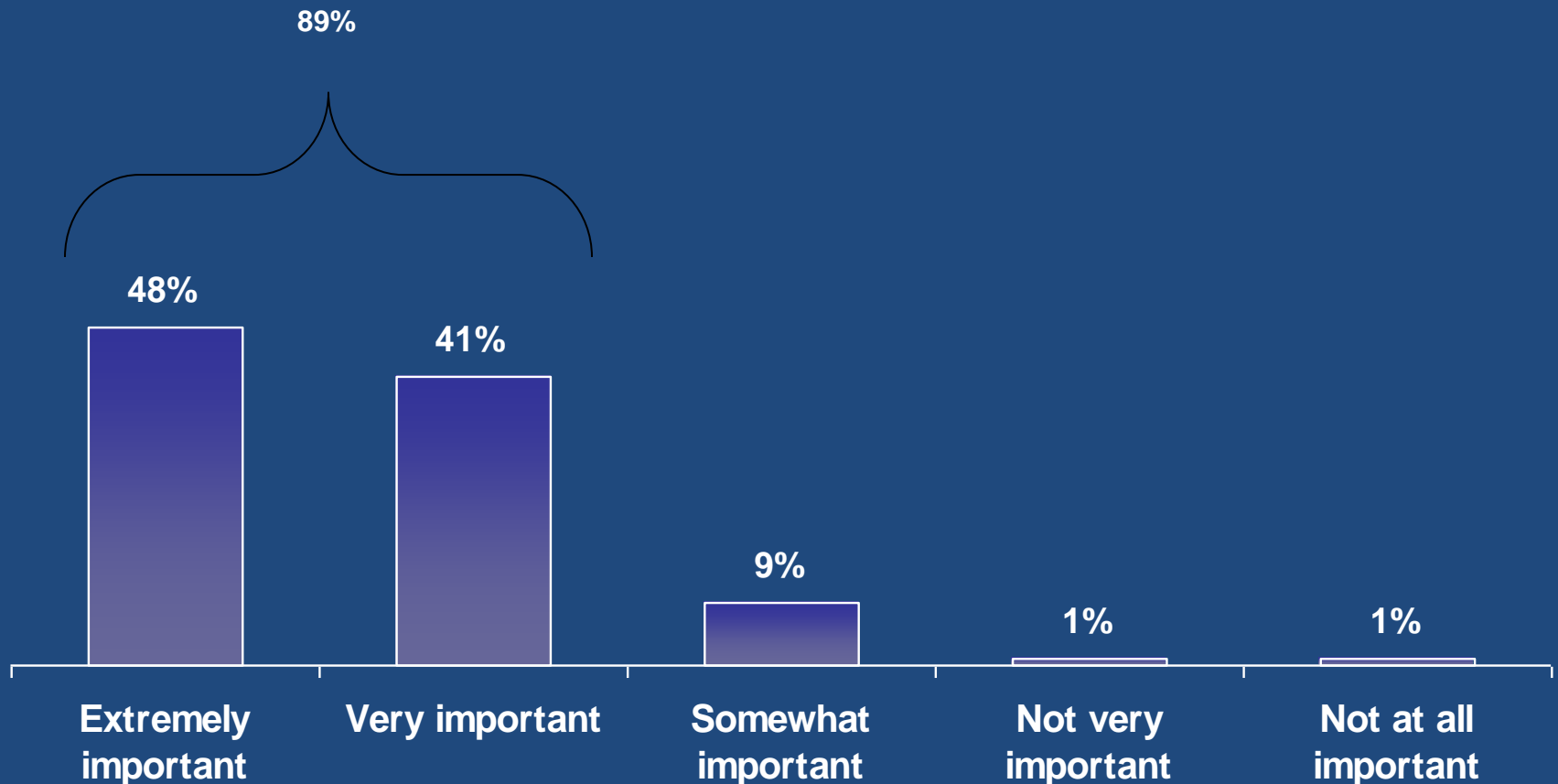
**THERE IS A TREMENDOUS PUBLIC
APPRECIATION OF TRAUMA CARE
AND TRAUMA SYSTEMS**



Nine in ten Americans feel that having a trauma center nearby is equally or more important than having a library.(Gallup)



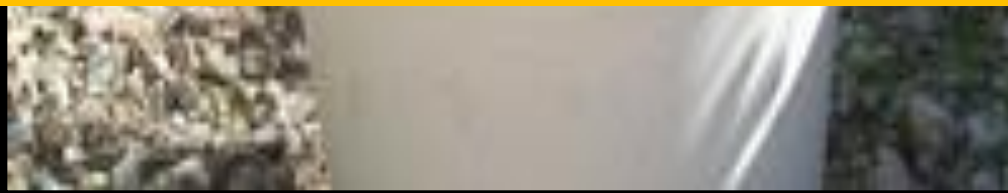
Nine in ten Americans feel it is extremely or very important for their state trauma systems and hospitals to be prepared to respond in a coordinated way to a natural disaster or terrorist attack.



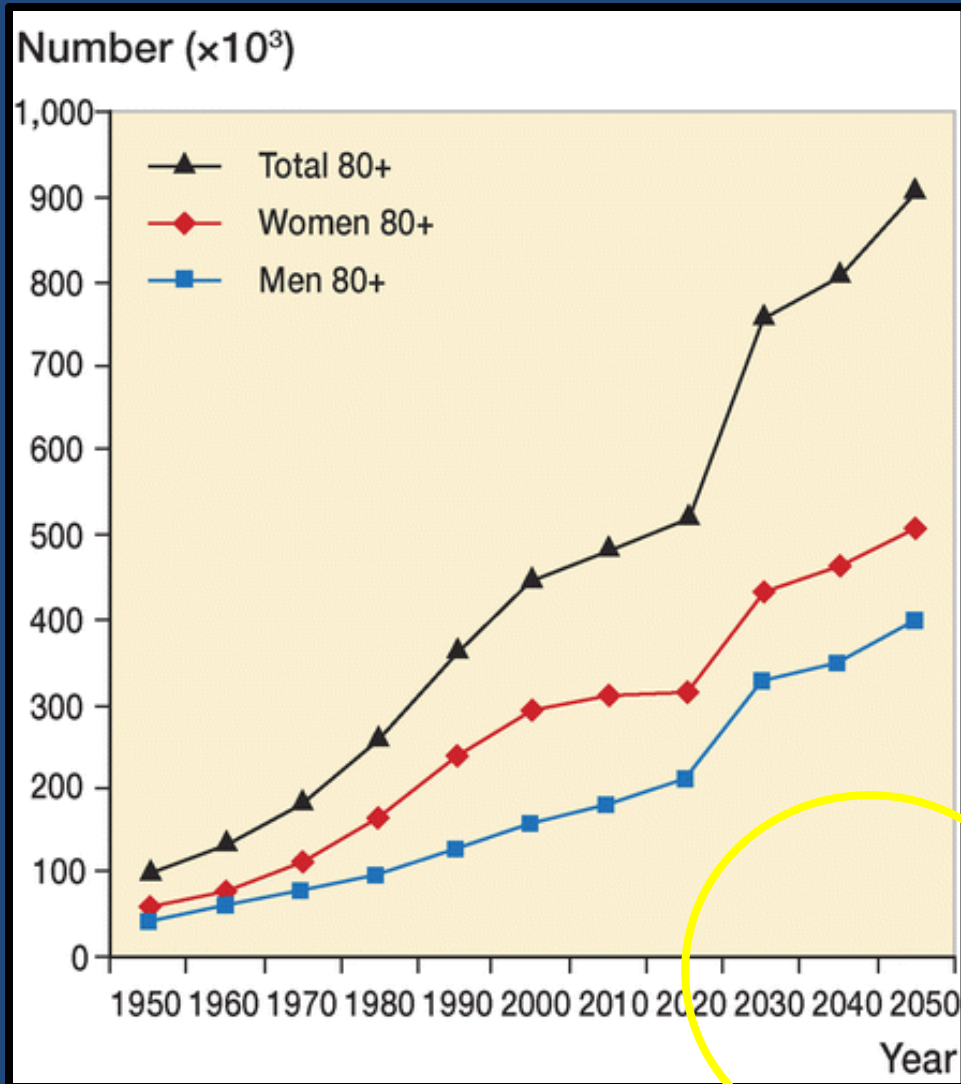
**WHAT PARTNERSHIPS CAN I BEGIN
WORKING ON TODAY?**



HOW TO MAKE AN IMPACT RIGHT NOW



HIP FRACTURE PROTOCOLS



1. GERIATRIC FRACTURE PROGRAMS

- **Save time and money while improving patient care**

- Decrease ER time
- Decrease Length of Stay
- Decrease Morbidity and Mortality
- **Kates et al, JOT 2011** reported a 33% decrease in costs and total annual savings in excess of \$730,000

2. TRAUMA OPERATING ROOM

- *Multiple studies showing*
 - IMPROVED EFFICIENCY-TURNOVERS
 - IMPROVED OUTCOMES
 - LOWER COMPLICATION RATE-TRAUMATOLOGISTS
 - LESS NIGHT TIME SURGERY-PROTOCOL DRIVEN

3. OPERATIVE EFFICIENCY

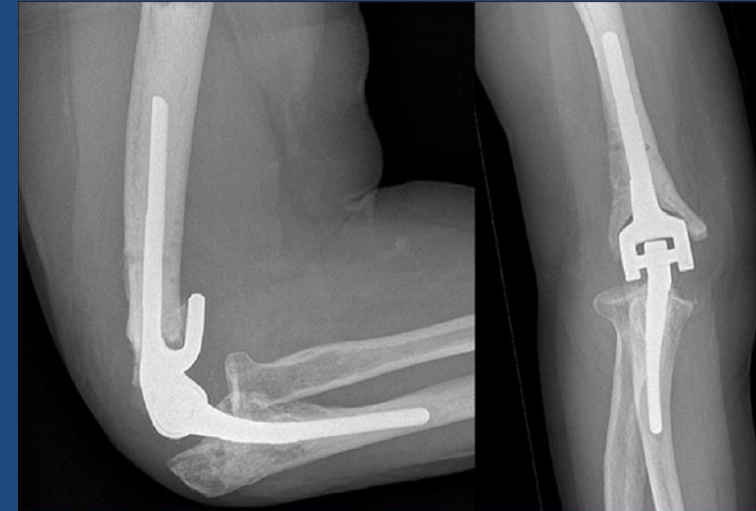
- Althausen et al, JOT, 2013 studied operative times and costs comparing traumatologists to general orthopaedic surgeons
- The traumatologist group demonstrated significantly decreased procedure times when compare to the GOS group(55.6 min vs 75.8min, $p < 0.0001$).
- This led to significantly decreased surgical labor costs(\$381.4 vs \$484.8, $p < 0.0001$), and surgical supply and implant costs(\$2567 vs \$3003, $p < 0.0001$).

4. TRAUMA PHYSICIAN ASSISTANTS

- DECREASED ER TIME
- DECREASED TIME TO OR
- DECREASED LOS
- IMPROVED PATIENT SATISFACTION
- THEY DON'T COVER SALARY BUT DUE TO THE ABOVE BENEFITS FINANCIALLY BENEFICIAL

5. IMPLANT PRICING CONTROL

DUAL VENDOR, SOLE SOURCES, PRICING MATRIX, 'RED-YELLOW-GREEN', GENERICS, GROUP STANDARDIZATION



6. GENERIC IMPLANTS

- **REDUCED COST,
EQUIVALENT QUALITY**
 - **WE HAVE SAVED MILLIONS**
- **SEVERAL TRAUMA COMPANY OPTIONS**

7. BONE GRAFT AND ORTHOBIOLOGIC UTILIZATION PROTOCOL

- Vallier et al (OTA 2012) instituted a program

“Limit BMP use to evidence based
indications”

CAUTION

**NOT TO EXCLUDE NEW
TECHNOLOGY**



8. PARTICIPATION IN HOSPITAL COMMITTEES

- **MULTIPLE OPPORTUNITIES EXIST-
ESPECIALLY SENIOR PHYSICIAN**
 - **CAN BE TIME CONSUMING**
- **PROVIDES VISIBILITY FOR YOUR GROUP AND
SERVICE**
- **EXERT INFLUENCE WITHIN THE HOSPITAL
SYSTEM**

NOW THAT YOU HAVE SAVED 1 MILLION DOLLARS...

- **CALL PAY**
 - \$500-3000/24HRS
 - OTA WEBSITE, MGMA, FMV ASSESSMENT
- **TRAUMA DIRECTORSHIP, QUALITY LEADERSHIP**
 - \$200-300/ HR
 - MUST RECORD HOURS AND PROVIDE REPORT PER MEDICARE
- **PAYMENT FOR INDIGENT PATIENTS**
 - % OF MEDICARE OR MEDICAID

Conclusions



- ***GET COMFORTABLE WITH NEGOTIATING,
LEARN THE NUMBERS***
- ***YOU AND YOUR HOSPITAL CAN MAKE
MONEY IN THE FIELD OF ORTHOPAEDIC
TRAUMA WHILE INCREASING PATIENT
QUALITY, EFFICIENCY***
- ***HAVE FUN, IT'S A NEW ERA IN OUR
PROFESSION***