



SurgOne, PC is a 40-physician multispecialty surgical practice located in Denver that performs 36,000 procedures serving approximately 24,000 patients each year. The practice's vision is to serve our community by providing unsurpassed evidence based, high quality surgical care centered on our patients' welfare. We can demonstrate achievement of this vision in the impacts we make on clinical outcomes, utilization of healthcare resources, and cost.

Specific results of which we are proud include a surgical site infection rate of 2.3% across all procedures performed, as compared to the national average of 4%. Not only does this lower infection rate mean a better patient experience and more rapid recovery from the procedure, but national data from the CDC shows that the lower rate results in a savings of \$15,000 per case with an infection, which for a practice with our volume results in \$6 million in annual costs avoided by health care system.

	<u>National Benchmark</u>	<u>SurgOne</u>
Surgical Site Infection Rate	4%	2.30%
Cost Per Infection	\$ 15,000	\$ 15,000
Annual Savings		\$ 6,000,000

SurgOne has been able to impact other costs as well.

Through a partnership with a TCPI radiology practice, we established guidelines for imaging that have resulted in providers ordering the right imaging in over 99% of cases. American College of Radiology estimates nationwide that 33% of tests ordered are unnecessary. For our group that would be 3,960 unnecessary ordered tests per year. If you assume an average cost of \$2000 per test, that equates \$8 million in avoided unnecessary imaging expenses per year. Using robotics as opposed to open surgery for 200 GI procedures a year has reduced length of stay by 2-4 days per surgery at a cost of \$1,500 per day for an annual savings of \$600,000. Finally, our use of ambulatory surgery centers (ASCs) as opposed to hospital operating rooms for approximately 85% of all procedures is yielding another \$10 million of savings annually; this number is based on the assumption that ASC costs are approximately 1/3 lower than those in hospital settings.

<u>Robotic GI Procedures</u>	<u>SurgOne</u>
Number of Procedures	200
Savings per Procedure	3,000
Annual Savings	\$ 600,000

<u>Imaging Review</u>	<u>National Rate</u>	<u>SurgOne</u>
Unnecessary Tests	33%	1%
Average Cost	\$ 2,000	\$ 2,000
Annual Savings		\$ 8,000,000

SurgOne's consistent high performance is ensured through strong clinical and administrative leadership that embodies a culture of data-driven, continuous quality improvement with staff empowerment and buy-in. Patient empowerment is equally important and demonstrated through extensive use of patient feedback gathered through traditional surveys as well as a social worker intern who serves as a patient liaison who follows up with all patients. An exceptional patient experience is a core value of the practice which is evident in their attention to patient feedback and their staff recognition program. When patients mention specific staff or providers by name as having provided excellent service, the person is recognized and rewarded at the time, highlighted in the company newsletter and staff meetings; it is also noted in their personnel file to be included in their annual performance evaluation.

Patient feedback also informs QI initiatives. For instance, the number one QI priority for 2018 came about from patient feedback about not picking up pain meds due to feeling they were not needed. This information from patients led to a strengthening of Surg One's opioid management program and became our number one priority quality improvement focus for 2018.

Based on data from the the Colorado Prescription Drug Monitoring data base, we reduced the number of tablets prescribed by 143,000 fewer tablets prescribed in 2018 than were prescribed in 2017 with slightly more surgeries performed. The number of prescriptions didn't change, but the amount of tablets prescribed was reduced by 50%. We achieved these results by making it a focus for 2018, bringing in pharmacological experts and the physicians' self-imposed decision not to allow e-prescribing for opioids, only hand written scripts, so that the surgeons had to "stop and think" about what they were prescribing and potentially had to meet a patient in person if more medication was needed after hours on a weekend.

As Surg One moves toward alternative payment models, we recognize the importance of both cost and quality data in our regular discussions with payers. We view payers as our partners and meet with them approximately every six months to keep them apprised of our performance and ask how we can help them. We have been asked to serve on payer advisory boards which are reserved for the top 10 high performing practices in Colorado. We are currently working with self-insured employers on bundled payment for specific procedures for which we take full risk. We are the first specialty practice in Colorado to engage in performance based contracts with up-side risk with two commercial carriers. We are ready for value based payment when they are.