# California Orthopaedic Association Cal Ortho On-Line

Orthopaedic Issue Briefs

Important News for Orthopaedic Practices
July-August, 2016

### IN THIS ISSUE

#### 4 Easy Steps to Market your Practice Online

For decades, physicians have largely relied on word-of-mouth and traditional forms of advertising, such as the newspaper or radio ads, to reach new patients. Those days are gone. The pivotal role the internet now plays in patients' decision-making, ensure that failure to market online places physicians at a significant disadvantage ... The 4 Easy Steps

# Division of Workers' Compensation (DWC) Updates the Official Medical Fee Schedule (OMFS) - Physician Services

COA has again worked with Sue Honor-Vangerov, Esq. to make available to our members an update to the OMFS. The update contains all of the CPT codes and has already calculated the new reimbursement rates effective July 1, 2016. Access the OMFS—Physician Services.

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#### **CMS News**

#### **CMS 2017 Hospital Outpatient Prospective Payment System**

#### Opioid Crisis Prompts CMS to Strike Pain Management from Value-Based Purchasing

The Centers for Medicare & Medicaid Services (CMS) has proposed plans to eliminate questions about pain management from Medicare's value-based purchasing program, which rewards or penalizes hospitals for quality scores that are based in part on patient satisfaction. The proposal is outlined in the 2017 Hospital Outpatient Prospective Payment System proposed rule. The American Hospital Association urged CMS to make this change, as they believed providers were incentivized to over-prescribe painkillers to keep patients happy.

#### Fee increase for ASCs and HOPD Proposed

#### Propose 4 Spine Codes/Total Knee Arthroplasty to be Performed in an ASC Setting

The proposal also includes a 1.2% increase for Ambulatory Surgical Centers and an increase of 1.55% for hospital outpatient services and proposes to allow 4 spine procedures to be performed in an outpatient setting:

- CPT code 22840 (Posterior non-segmental instrumentation (e.g. Harrington rod technique, pedicle fixation across 1 interspace, atlantoaxial transarticular screw fixation, sublaminar wiring at C1, facet screw fixation) (List separately in addition to code for primary procedure));
- CPT code 22842 (Posterior segmental instrumentation (e.g., pedicle fixation, dual rods with multiple hooks and sublaminar wires); 3 to 6 vertebral segments (List separately in addition to code for primary procedure));
- CPT code 22845 (Anterior instrumentation; 2 to 3 vertebral segments (List separately in addition to code for primary procedure));

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### **Calendar of Events**

COA QME Mandatory Report-Writing Course Accredited for 12 QME CME hours October 14–15, 2016 Huntington Beach Register for the Course COA's 2017 Annual Meeting/QME Course May 18-21, 2017 La Costa Resort and Spa (North San Diego County)

Make your Hotel reservations

Phone: 916-454-9884 Email: coa1@pacbell.net

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#### CMS News (continued)

• CPT code 22858 (Total disc arthroplasty (artificial disc), anterior approach, including discectomy with end plate preparation (includes osteophytectomy for nerve root or spinal cord decompression and microdissection); second level, cervical (List separately in addition to code for primary procedure));

CMS is also seeking comments on whether total knee arthroplasty should be removed from the inpatient hospital only list, allowing the procedure to be performed in an out-patient setting.

Proposed rule for the 2017 Hospital Outpatient Prospective Payment System

Harvard Business Review-July-August, 2016

## How to Pay for Health Care

By: Michael E. Porter and Robert S. Kaplan



The United States stands at a crossroads as it struggles with how to pay for health care. The fee-for-service system, the dominant payment model in the U.S. and many other countries, is now widely recognized as perhaps the single biggest obstacle to improving health care delivery.

#### **Fixing Health Care**

Fee for service rewards the quantity but not the quality or efficiency of medical care. The most common alternative payment system today—fixed annual budgets for providers—is not much better, since the budgets are disconnected from the actual patient needs that arise during the year. Fixed budgets inevitably lead to long waits for nonemergency care and create pressure to increase budgets each year.

We need a better way to pay for health care, one that rewards providers for delivering superior value to patients: that is, for achieving better health outcomes at lower cost. The move toward "value-based reimbursement" is accelerating, which is an encouraging trend. And the Centers for Medicare & Medicaid Services (CMS), to its credit, is leading the charge in the United States. That doesn't mean, however, that health care is converging on a solution. The broad phrase "value-based reimbursement" encompasses two radically different payment approaches: capitation and bundled payments. In capitation, the health care organization receives a fixed payment per year per covered life and must meet all the needs of a broad patient population.

In a bundled payment system, by contrast, providers are paid for the care of a patient's medical condition across the entire care cycle—that is, all the services, procedures, tests, drugs, and devices used to treat a patient with, say, heart failure, an arthritic hip that needs replacement, or diabetes. If this sounds familiar, it's because it is the way we usually pay for other products and services we purchase. To Read More...

Phone: 916-454-9884

#### Orthopaedic Surgeons Needed

Orange County, California

Los Alamitos Orthopaedic Medical and Surgical Group, a growing orthopaedic practice in Orange County, California, is searching for full or part-time orthopaedic surgeons in the following fields: joint replacement, sports medicine, and hand specialists.

Click here for a job description.

Contact: Perry Secor, M.D. Phone: 562-773-4257

Email: admin@losalamitosortho.com

#### Orthopaedic Office Space Available . . . .

Location: 2080 Century Park East #500, Los Angeles

On the campus of the new California Rehabilitation Institute, a joint venture with UCLA and Cedars-Sinai Hospital, a 15-story medical building with over 100 physicians.

Orthopaedic office space in the building is available November, 2016. Fully equipped with x-ray. Ideal for a solo orthopaedic surgeon.

For more information contact: Clive Segil, M.D. Email: drsegil@drsegil.com Phone: 310-203-5490

Email: coa1@pacbell.net