CORRelations
Practice Smarter

Efficient Practice

3 Ways to Improve Your Orthopaedic Practice

1. Growing Practices Faster, With Less Financial Risk
2. Automated Texts From Your EMRs
3. Cash-back on Your Practice's Payables

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Welcome

One of the worries about starting a newsletter focused on practicing orthopaedic surgeons and the pain points of daily practice is ensuring I'm providing the right perspectives. There are a few ways I try to do this — for example, I have an excellent board of advisors, and with their good guidance, I focus the clinical posts on practical messages about common procedures that derive from the best-available evidence. I recognize that *CORRelations* readers are busy, so the information we share needs to be stuff you can use in the office or operating room today.

Another way is to create features that can't really go wrong, like "Efficient Practice." This recurring feature uses three simple questions that focus our interviewees — practice managers, purchasing experts, and physician leaders involved in the daily running of orthopaedic practices — on the things that most affect the finances and flow in the practices that *CORRelations* readers run.

It's early days, but so far the "Efficient Practice" posts really show off the potential of this feature. This resource gathers a few of the most practical ones together for your convenience.

If someone in your group has an "Efficient Practice" tip he or she would like to share, we would like to hear about it, and perhaps feature it in a future post in this section. Please email us to get in touch.

I hope you enjoy reading *CORRelations* as much as we enjoy creating it for you.

To make sure you don't miss anything, I invite you to take advantage of our 30-day free trial and upgrade to a paid subscription today.

Thank you for reading.

Seth S. Leopold, MD
Editor-in-Chief, *CORRelations*

Who we are

Seth S. Leopold, MD
Dr. Leopold is the founder and editor-in-chief of *CORRelations*, as well as the editor-in-chief of *Clinical Orthopaedics and Related Research*®. An arthroplasty surgeon by training, he's spent the last 20 years developing critical appraisal tools for orthopaedic surgeons. His passion for getting the right information in front of the right audiences in the right formats, and his ability to help people get the most from what they read in orthopaedic journals, motivated him to create *CORRelations* — built for busy, practicing orthopaedic surgeons.

Editorial Advisors

Jaimo Ahn, MD, PHD ..... Fractures/Trauma
Brian Gilmer, MD ..... Arthroscopy/Sports
Gregory P. Guyton, MD ..... Foot & Ankle
Desirae McKee, MD ..... Hand
Charles A. Reitman, MD ..... Spine
Montri D. Wongworawat, MD ..... Chart of the Week

Efficient Practice Strategy #1

Growing Practices Faster, With Less Financial Risk

In May, *CORRelations* spoke with Dror Paley, MD, FRCSC, Founder, CEO, and Medical Director of the Paley Orthopedic and Spine Institute in West Palm Beach, FL. The Paley Orthopedic and Spine Institute was founded in 2009, and has 200 employees, including 23 physicians. It is the largest domestic and international orthopedic medical tourism practice in the United States. It has satellite centers in Warsaw, Poland (the Paley European Institute) and Abu Dhabi, UAE (the Paley Middle East Clinic).

***CORRelations:* What's been the biggest game-changer for your practice in the last year or two?**

Dror Paley, MD, FRCSC: The junior-senior (JS) program is a business development program that allowed us to grow the practice from 11 physicians in 2020 to 23 physicians in 2023. Any senior physician with a large practice and a waiting list can choose to bring on a junior surgeon (usually 1-3 years post-fellowship) using a profit-sharing model. The JS program shifts the financial risk of hiring a new surgeon from the practice to the senior surgeon. The senior surgeon guarantees the salary and expenses of the junior surgeon for 5 years, which provides the new surgeon the security he or she needs to grow a practice. The earnings before income and taxes (EBIT) split is a legal way to incentivize the senior surgeon to refer and share cases with the junior surgeon and not to cherry-pick. This rapidly grows the junior surgeon's practice and experience. Since most senior surgeons tend to have better payer mixes, junior surgeons usually achieve a positive EBIT in their first year. This further incentivizes the senior surgeon to mentor, refer, and help the junior surgeon grow. It allows practice expansion in a win-win-win manner for the senior surgeon, junior surgeon, and practice. It also allows the practice to grow larger, faster.

***CORRelations:* Why are you so excited about it?**

Dr. Paley: In typical practices that bud off practices from senior to junior surgeons, the senior surgeons get nothing in return, and therefore they tend to cherry-pick and refer lower-revenue or less-desirable cases to the juniors. The JS program incentivizes the senior to refer cases irrespective of payor source, and the junior to do amazing cases early in their careers under the mentorship of a senior, while enjoying the financial rewards. Finally, the practice takes on no risk so it can grow faster, because the risk is transferred to the senior partners. This has been a very popular program for us, and so far five of our senior surgeons have elected to expand their practices by taking on juniors, and three more are in the process of looking for juniors. It's also a great way for surgeons nearing retirement to do succession planning.

***CORRelations:* How has it worked out?**

Dr. Paley: This has been very successful by every metric. Junior surgeons have been profitable from their first quarter. Senior surgeons are making more money. Junior surgeons are hitting EBIT bonuses earlier, and usually earn more money than their peers in other practices. Despite the junior surgeon being free to go full at-risk (eat what you kill), several have elected to stay on the JS model for a second and even a third 5-year contract. The rationale is they continue to get fed more volume and more challenging cases, and that they make larger EBIT bonuses at 50% EBIT split than if they were not fed and got lower payer mix cases and kept 100% of their positive EBIT. Since the junior can leave this model and go full at-risk any time, no one feels taken advantage of, and no one feels the arrangement is unfair. The other great thing about the JS program is that it promotes teamwork. Since I personally have a very large practice, my team of juniors is four surgeons. We work closely together, plan and discuss cases together daily, and work efficiently so that we all have better quality of life — and complete our work as a group earlier. Our patients love the team approach and feel they are always covered even if their primary doctor is out of town.

Automated Texts From Your EMR

More Contact, Less Work, Fewer Readmissions

In April 2023, *CORRelations* spoke with Eric Bressman MD, MSHP, of the University of Pennsylvania. While normally this part of *CORRelations* focuses on innovations in private practices, Dr. Bressman's research focuses on how best to integrate technology into good, efficient care. One of his papers — about how an automated texting program decreased readmissions after hospital discharges — was featured in our Need to Know section because it was so successful.

Even though many orthopaedic surgeons increasingly care for patients at ambulatory surgery centers (ASCs), hospital admissions are a part of many practices, and many practices communicate with patients after home discharge from ASCs just as they do after hospital discharge.

CORRelations: **How — or how much — might automated texting programs after hospital (or, perhaps ASC) discharge improve care and, importantly, practice efficiency?**

Dr. Eric Bressman: It's all about opening lines of communication, so if patients need something after discharge, they feel empowered to let us know. This enables the practice to intervene earlier and more

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often. Automation allows us to significantly scale up touchpoints with the patient and only requires human involvement once a need has been identified. Text messaging is simple, widely used, and, importantly, asynchronous. By contrast, traditional call-based programs are time-intensive. They have lower response rates, and, even when they are answered, often are low-yield.

***CORRelations:* What first steps do you recommend for a practice interested in integrating automated texting into their electronic medical records and patient-care flows after outpatient surgery and/or hospital discharge?**

Dr. Bressman: You hit the nail on the head with your question. Integration with the EMR and into staff workflows both are essential. On the informatics side, not every messaging platform will easily integrate with every EMR. It may require a separate user interface and involve staff toggling back and forth to manage the program. The success of our program has relied heavily on its relatively seamless integration into staff workflows, and being able to receive notifications within the EMR where they are already spending their time has been a big part of that. The second piece of advice is to involve these frontline staff in the development of the program from the beginning and to be open to making changes in response to their feedback. Their insights are essential.

***CORRelations:* Innovations like these always have pitfalls. What should practices watch out for, and how can they avoid problems when adding on systems like these?**

Dr. Bressman: A common concern when increasing access through these types of connected care approaches is that it will promote overutilization. That hasn't been our experience. Still, there do need to be safeguards on staff time, and the quantity and quality of work being generated by a program like this should be monitored. In addition, patients now have a multitude of ways to reach their providers — telephone, patient portals, and text-message programs like these — and those professionals may receive messages from a number of sources these days (the discharging hospital, the ambulatory practice, and the pharmacy, among many others). This can become overwhelming. Practices need to be mindful of this landscape and provide patients with clear guidance on modes of outreach and working with other parties where possible to provide patients with the most seamless experience.

Editor's Note: Dr. Bressman made the point of saying that he does not endorse any programs and does not speak on behalf of the text-messaging product that he mentions here. With a little searching, we found a variety of commercially available alternatives that seem to offer the same basic service, and, not surprisingly, some EMR systems have developed their own in partnership with other tech communication companies. The right choice will depend on each practice's needs, resources, and EMR system, but the general approach here — using automated text messaging to reach patients — seems very promising, as noted in our recent Need to Know *post on a study evaluating it.*

Getting Cash Back on Your Practice's Payables

In May 2023, *CORRelations* spoke with David Murdock, Chief Financial Officer for the Slocum Center for Orthopedics & Sports Medicine. The Slocum Center has a rich history, having served Eugene, Oregon residents since 1939. They have 22 physicians and over 300 employees.

***CORRelations*: What's been the biggest game-changer for your practice in the last year or two?**

Mr. David Murdock: About two years ago, we began leveraging our annual accounts payable (AP) spend to convert it to cash back. Many solutions have enrolled vendors who normally would not accept payment via credit card. We simply upload an accounts payable file to our third-party payment platform (AMEX, CapitalOne, Corpay, etc.), which pays our vendors electronically. We then receive a portion of the spend back in cash, which can be in the range of 1% to 2%.

***CORRelations*: Why are you so excited about it?**

Mr. Murdock: I love seeing return on investment from processes that are necessary to run a business. By making one simple process change to our accounts payable department, we were able to reduce our operating costs. Doing this results in no out-of-pocket expenses, your third-party solution does the heavy lifting, and your vendors are paid in a timely manner.

***CORRelations*: How has it worked out?**

Mr. Murdock: It has worked well, and we have no plans to go back to 100% regular checks. Once established, the process becomes business as usual. We are being approached by another vendor with even more competitive cash-back terms, so it helps to be flexible.

Strengthen Your Orthopaedic Practice

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Published most weekdays, *CORRelations* delivers subspecialty-level insights derived from the most practical, highest-quality research and implementation reports available.

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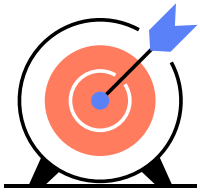
What's Inside

CORRelations has everything you need to compete clinically and financially in a fast-paced, subspecialized orthopaedic practice. All subscribers receive *CORRelations*' four features:

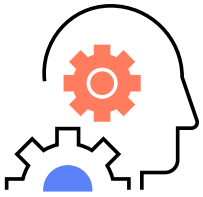


Need to Know

Practical suggestions that will increase your clinical effectiveness based on the best subspecialty content from leading journals. Choose as many subspecialties as you like, from such topics as: fractures & trauma, spine, hand, foot & ankle, arthroscopy/sports and joint replacement.

Practical Economics

Timely, expert insights into new federal policies and legal decisions that will influence how your practice earns money (or doesn't) in the months to come.



Efficient Practice

Quick-hit interviews that offer proven, innovative solutions from successful practices across the country.

Chart of the Week

Clear visuals that provide you at-a-glance takeaways about emerging trends.