

A Leading Approach to Payment Innovation

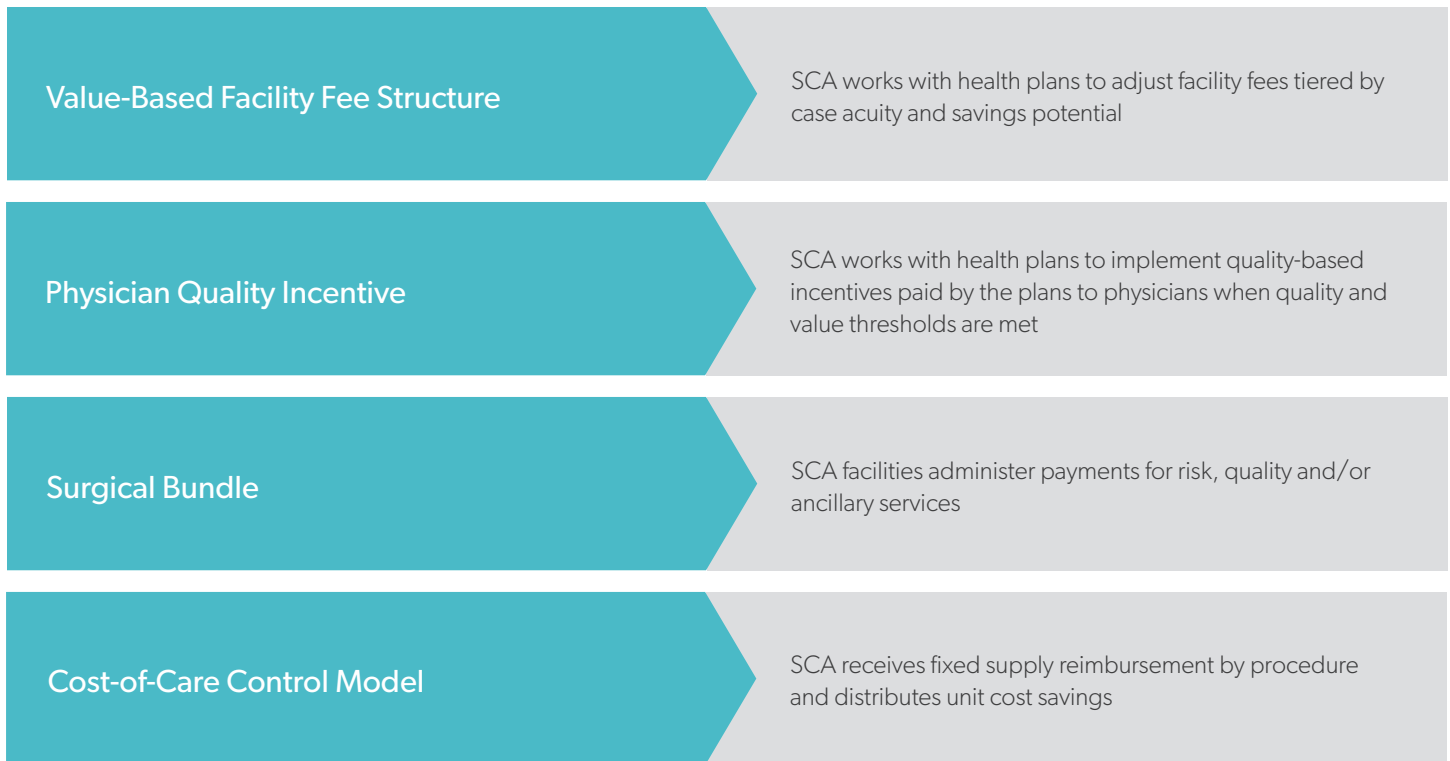
SCA Empowers Improved
Care, Increased Efficiency
and Shared Savings

SCA partners with physicians, payers and health systems to optimize surgical delivery. We understand the many challenges facing today's leading physicians. Our differentiated approach leverages deep expertise and experience to build shared savings models designed to reduce health care costs and increase quality of care.



Shared Savings Approach

We coordinate shared savings in a variety of ways including:



VALUE-BASED FEE STRUCTURE

A Midwest ASC was operating in a market dominated by a high cost health system that threatened physicians' ability to remain independent. The existing ASC fee structure was not supportive of clinically appropriate case migration, which resulted in ASCs remaining out-of-network or in partnership with high-cost health systems.

Program structure

Transitioned facility to in-network status via a value-based facility fee schedule

Program results

\$225K

savings in the first three months; on track to hit target of \$1M annually

ASC volume is up

98%

driven by migration from higher cost care settings

Improved facility's reputation by communicating its advantages to referring physicians

Preservation of physician independence

PHYSICIAN QUALITY INCENTIVE

For an ASC in the Southeast, physician employment and strict CON laws hindered independent ASC viability. To promote and optimize the use of ASCs for appropriate services, SCA worked with a commercial payer to develop an incentive structure for surgeons.

Program structure

Aligned the underlying economics for surgeons who improved quality and cost-of-care for clinically appropriate outpatient surgeries

Program results

114

surgeons enrolled

900

cases moved to high-quality, lower-cost setting

achieved payer cost-of-care savings of

\$2.7M



SURGICAL BUNDLE

To accelerate clinically appropriate case migration in the Midwest, SCA implemented a surgical bundle that promotes higher quality care and lower costs, and a streamlined approach to the surgical and recovery processes.

Program structure

- Create a comprehensive bundle that consolidates physicians' fees, facility charges and rehabilitation costs
- Promote clinical benefits that include improved quality and patient care; as well as lower costs

Program results

in the past five years,
seven participating
providers performed

600+ total joint
replacement
procedures

\$6.3M

achieved in total savings

PHYSICIAN QUALITY INCENTIVE (SURGICAL HOSPITAL)

In the Mountain West region, two high-cost health systems significantly impacted the availability of high quality, lower-cost surgical care. SCA worked with a major commercial payer to develop a quality-based value network of surgeons, who are recognized based on clinical outcomes and efficiency.

Program structure

- Organized current physician partners and organized additional surgeons to participate in the payer's quality-based network
- Aligned the underlying economics of surgeons who improve quality and cost-of-care for clinically appropriate outpatient surgeries at the more efficient surgical hospital setting

Program results

90
surgeons enrolled

\$12,000

savings per episode on average

2,000

cases moved to high quality,
lower-cost setting

COST-OF-CARE SAVINGS

To lower the cost-of-care for surgical procedures, SCA worked with a commercial payer to implement an internal efficiency program that shares savings with the patient and payer through a fixed reimbursement structure when lower-cost implants are selected for the commercial payer's patients.

Program structure

50 percent of the total shared savings are placed into a shared savings pool

Program results

\$3M or 10%

cost-of-care
savings over current
implant spending

Surgeons gain insight
from collected data
and share in generated
savings

Patients pay less for
their procedures and
billing is transparent

