Employer Direct Healthcare

Defining Quality in Surgical Centers of Excellence:
A Guide for Employers

Introduction

The search for a Center of Excellence (COE) solution for surgery often starts when benefits leaders notice a troubling trend in their claims data. Musculoskeletal (MSK) pain costs may be rising, with more employees receiving surgery than expected. Benefits leaders may also hear that employees struggle to find quality care in their area or take on debt to afford necessary care.

In theory, COEs can solve these challenges by providing employees access to quality care and reducing costs associated with unnecessary surgery, complications and readmissions. Yet the sobering reality is that an industry-wide definition of "quality" in COEs doesn't exist. In fact, **one study** found significant variability in how COEs were defined—and an assessment of outcomes across different COE types did not find consistent improvement for patients receiving care through COEs.

For organizations that are looking to reduce costs by working with a partner that connects its employees with the best care possible and creates equitable access, understanding how solutions differ from one to the other and finding a program that measures quality in a way that truly drives impact is challenging—but not impossible.

In this ebook, we'll explain the importance of quality and propose a definition that is based on verifiable data, discuss why not all COEs are created equal, plus, share key considerations to keep in mind when evaluating a potential solution.

What is ‘quality’ care?

Defining ‘quality’ care among surgical COEs has been a missing piece of the puzzle for quite some time.

To start, there is no overarching regulatory oversight of what qualifies **a hospital or facility as a COE**. Health systems, payers, professional societies, and employers often use **their own set of criteria**.

Cost is also not an indication of quality since the price of services is largely related to the facility’s charges, and associated commercial contract tied to a discount to billed charges for certain procedures. The negotiated payer rates can also vary between hospitals and ambulatory surgical centers (ASCs), for example.

The Centers for Medicare & Medicaid Services (CMS) uses hospital readmission rates and hospital-acquired infection rates, amongst several other metrics, to define quality, but many of these measurements capture results from the entire facility, not surgery specifically. For outcomes related to surgery, CMS reports at the facility level, rather than the surgeon level. For example, a hospital publishes readmission rates overall for knee replacement surgery, but doesn’t detail which surgeons are consistently delivering the lowest complication rate—information that is more valuable than a facility average.

Ultimately, building a COE network at the facility level may not be the most effective choice. Studies show that quality measurements, such as effectiveness, appropriateness and cost, can vary considerably within a facility. For example, an **Embold Health analysis** found a wide variation within highly acclaimed hospitals and surgical groups. The overall performance score for surgeons varied by up to 70 points within the same institution.

Having access to large teaching hospitals is important for employees with complicated medical issues or for certain complex procedures. For the average person and surgical procedure, however, receiving surgery at this type of facility isn’t necessary. In addition, choosing a facility based on the brand name doesn’t necessarily mean a well-known surgeon will perform the entire procedure. A trainee may perform part of the procedure under supervision.

For these reasons, the best way to assess surgeon quality is by holistically looking at their experience, training, and performance at the individual level.

> “Patients may opt for a well-known surgeon, but what they don’t know is that the surgeon is only directing the surgery, and the trainee is performing it. It is always important for the patient to ask their surgeon if they will be performing the entire procedure and if not, what portion they do perform.
>
> —**Jennifer Cook, MD**, Board-Certified Orthopedic Surgeon, Florida Joint Care Institute, & Co-Chair, Advisory Board, Employer Direct Healthcare

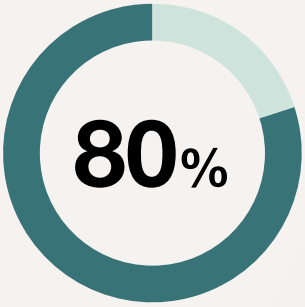
Patient Pain Points:

Lack of Transparency, High Cost Are Barriers to Care

While there are platforms to search for surgeons and read reviews, there's no easy way for an average patient to find quality and outcomes data for individual surgeons.

When patients look for surgeons, therefore, many ask family and friends for referrals. One **survey** found that 29% of people say their top sources for finding a doctor are friends, family and coworkers. This is an issue because friends and family are likely to make recommendations based on personal experiences, but if a friend had a successful shoulder surgery, that doesn't mean their provider is the right choice for someone else's knee surgery. **Research also suggests** that primary care doctors don't necessarily make recommendations based on outcomes. Instead, physicians use factors like professional experience and training, personal beliefs about surgical quality, and perceived convenience when making patient referrals.

The high cost of care, including health insurance premiums, high-deductible plans, co-insurance, and the cost of services alone also makes accessing care a challenge. In fact, **58% of people delay care due to cost**, according to an Integrated Benefits Institute analysis.



of counties in the U.S. lack adequate access to healthcare
—GoodRx

Evaluating COEs for Surgery: A Roadmap

While COEs have traditionally been evaluated at the facility level, surgeons perform the surgery—not the facility. Having requirements for individual surgeons is a more effective way to measure quality.

> You can have a hospital that is a well-known academic teaching institution, but the reality is that the surgeon is the one driving the outcomes.

—**Jennifer Cook, MD**, Board-Certified Orthopedic Surgeon, Florida Joint Care Institute, & Co-Chair, Advisory Board, Employer Direct Healthcare

When considering your COE options, look for solutions that vet their surgeons on the below criteria.

Quality check 1: Fellowship training and specialization

Quality check 2: Procedure volume

Quality check 3: Patient Education and Readiness for Surgery

Quality check 4: Site of care optimization

Quality check 5: Low complication rate and surgical avoidance

Quality check 1: Fellowship training and specialization

Fellowships teach surgeons the importance of pre-operative and post-operative programs and protocols that optimize patients prior to surgery, educate them effectively and enhance their recovery after surgery

> Fellowship training has become essential to becoming a great surgeon. Spending an additional year or more allows one to focus on all aspects of patient care. With the sophistication of innovation and the emphasis on value-based care and patient outcomes, a fellowship provides for the higher thought and technical expertise that makes someone a true expert in their field.

—**Alan Davis, MD**, Emeritus Staff, Cleveland Clinic

Quality check 2:

Procedure volume

Not only are surgeons who have sub-specializations important, but the number of surgeries they perform each year is also a key indicator of quality. In fact, **research shows** higher provider surgical volume is associated with lower ER visits and hospital readmissions, lower rates of revision surgeries and orthopedic specialist visits, and lower costs. Surgeons who have high volumes are also more likely to determine whether surgery is indicated in the first place.

Observed Volume Outcome Relationships for Hip and Knee Replacements

For both hip and knee replacements, higher provider surgical volume is associated with better outcomes, even after adjusting for differences in patient characteristics:

- Lower rates of post-acute inpatient readmission at both 7 and 60 days
- Lower rates of revision surgeries
- Lower rates of post-surgical stay orthopedic specialist visits, emergency department visits, and inpatient days

Source: **Clarify Health Insights**

A Checklist for Employers:

What Makes Someone An Excellent Surgeon?

A famous name, stellar reviews, and 5-star ratings do not necessarily equate with quality. Here's a snapshot of what to look for.

- ☑ Fellowship training
- ☑ Licensed
- ☑ Board Certified
- ☑ Sub-specialization
- ☑ No state sanctions
- ☑ Consistent review of malpractice and reputation
- ☑ Complication rates
- ☑ Surgical avoidance rates

Quality check 3:
Patient Education and Readiness for Surgery

Chronic conditions such as obesity, type-2 diabetes, and hypertension, as well as lifestyle choices such as smoking are associated with poor surgical outcomes. High-quality surgeons provide education and support about modifiable risk factors and ensure patients are optimized for surgery. Surgeons should also manage the entire episode of care to ensure the best outcomes and patient experience.

Quality check 4:
Site of care optimization

For many procedures, excellent care can be delivered anywhere excellent surgeons operate. Solutions that have a vast and diverse network of surgeons allow patients to be steered to the appropriate site of care which leads to better outcomes, lower costs, and a better patient experience.

Sites of care should include community-based hospitals and ASCs, which are best for less complex cases on healthy patients, while in-office settings are suited for routine, conservative procedures such as injections. Large institutional teaching hospitals should be reserved for certain complex procedures and patients with complicated medical issues. Surgeons who provide high-quality care optimize the site of care by looking at the individual's needs and then deciding the best setting for the surgery to take place.

When surgeons appropriately optimize the site of care, they also make it more likely that a patient will be able to have their procedure done close to home because they'll be able to receive surgery at an ASC, specialty hospital, or community based hospital, rather than traveling to a large hospital further away.

> "A hospital outpatient procedure conducted in the main operating room is no different than having surgery as an inpatient. But not all surgeons operating in the hospital have a dedicated team. The nurses and techs have to be jacks of all trades. You have many more rooms around with emergencies coming in and patients with higher acuity ratings and infections. So, you're in a setting that is going to give you higher complication rates regardless.
>
> —**Alan Davis, MD**, Emeritus Staff, Cleveland Clinic

Quality check 5:

Low complication rate and surgical avoidance

Of course, the best surgeons maintain a low complication rate, but that's not the only outcome measure you should be considering. **Research shows** that surgeries are over-recommended and that a non-invasive approach is the better option in 20-30% of cases.

Therefore, knowing how often a surgeon recommends *against* surgery is another key indicator of quality since surgery isn't always the best option for back or joint pain. Every individual's condition is unique, which is why selecting surgeons who perform a high volume of the same procedures every year is important when determining if surgery is necessary. Surgeons with high volume deliver quality care and are more likely to talk to patients about diet, exercise, and physical therapy, which may be the first or only line of treatment instead of surgery.

How to Define Excellence in Cancer Care

Cancer is now the top driver of employer **healthcare costs** and this year, over **2 million new cancer cases** are expected to be diagnosed. To deliver quality care, ensure optimal outcomes, and reduce costs, employers are looking for care navigation solutions. When evaluating a potential partner, here are some key considerations:

Early and ongoing engagement: Care navigation should be engaged early on to ensure an accurate diagnosis and the treatment plan follows the latest National Comprehensive Cancer Network (NCCN) guidelines. Care navigation can also provide equitable access to the best cancer specialists.

Options for second opinions: Your solution should include a peer-to-peer service that allows oncologists to connect with each other and provide patients with a second opinion without requiring them to facilitate the conversation on their own. Since patients are often hesitant to get a second opinion out of fear of potentially insulting their oncologist, this service allows them to get the information they need without any added burden.

Site optimization: Patients should receive care at national comprehensive cancer centers and community care centers depending on the appropriate site of care. Administering drug infusions at home or at a local cancer community center improves the patient experience and curbs costs.

Nurse support: Oncology nurses provide education and advocacy, and help patients manage their medications to reduce side effects and prevent unnecessary ER visits.

Conclusion:

A Surgeon-First Approach Delivers Better Outcomes and More Accessibility

COEs have traditionally taken a facility-based approach, guiding members to large, well-known institutions. Yet since top teaching hospitals and academic medical centers are typically located in large metropolitan areas, this model limits access to care, eliminates quality surgeons who are closer to home and requires that patients travel long distances to be seen which reduces the likelihood of the postoperative compliance with follow up visits.

COEs that take a 'surgeon of excellence' approach and look at the quality of care at the surgeon level rather than at the facility level deliver better health outcomes and lower costs.

Therefore, look for solutions that have an extensive screening process and vet surgeons based on fellowship training, licensure, board certification, and sub-specialization, which allows surgeons to become experts in their fields and stay up to date on the research and best practices. Physicians should also be reviewed for state sanctions, malpractice suits, reputation, and patient satisfaction scores.

Furthermore, infection and complication rates are often higher in large hospitals than they are at local community hospitals and ASCs. Creating a network at the surgeon level allows employees to seek care in the most appropriate venue for them, not just at large hospitals.

Finally, it's worth noting that while some of this information can be found through publicly available sources, one-on-one conversations with surgeons are an essential part of a thorough review process. Data is valuable, but it's only through conversation that you can get a real sense of how a surgeon approaches care and treats patients. When a COE vets surgeons, rather than facilities only, employers can feel confident that each one will provider excellent care specific to a patient's needs—and that employees will have more options for local, high-quality care.

> "The goal of our interview process is to get the surgeons talking. How do they decide who is a great candidate for surgery? How they decide site of care—should the patient be operated on in an ASC or do they require hospitalization? How do they optimize patients for surgery and enhance their recovery post-operatively? We want to hear a 'patient-first' mentality come through because that's aligned with our philosophy. There's no algorithm out there that can give us these types of inputs.
>
> —**Ryan Burke**, Chief Network Officer, Employer Direct Healthcare

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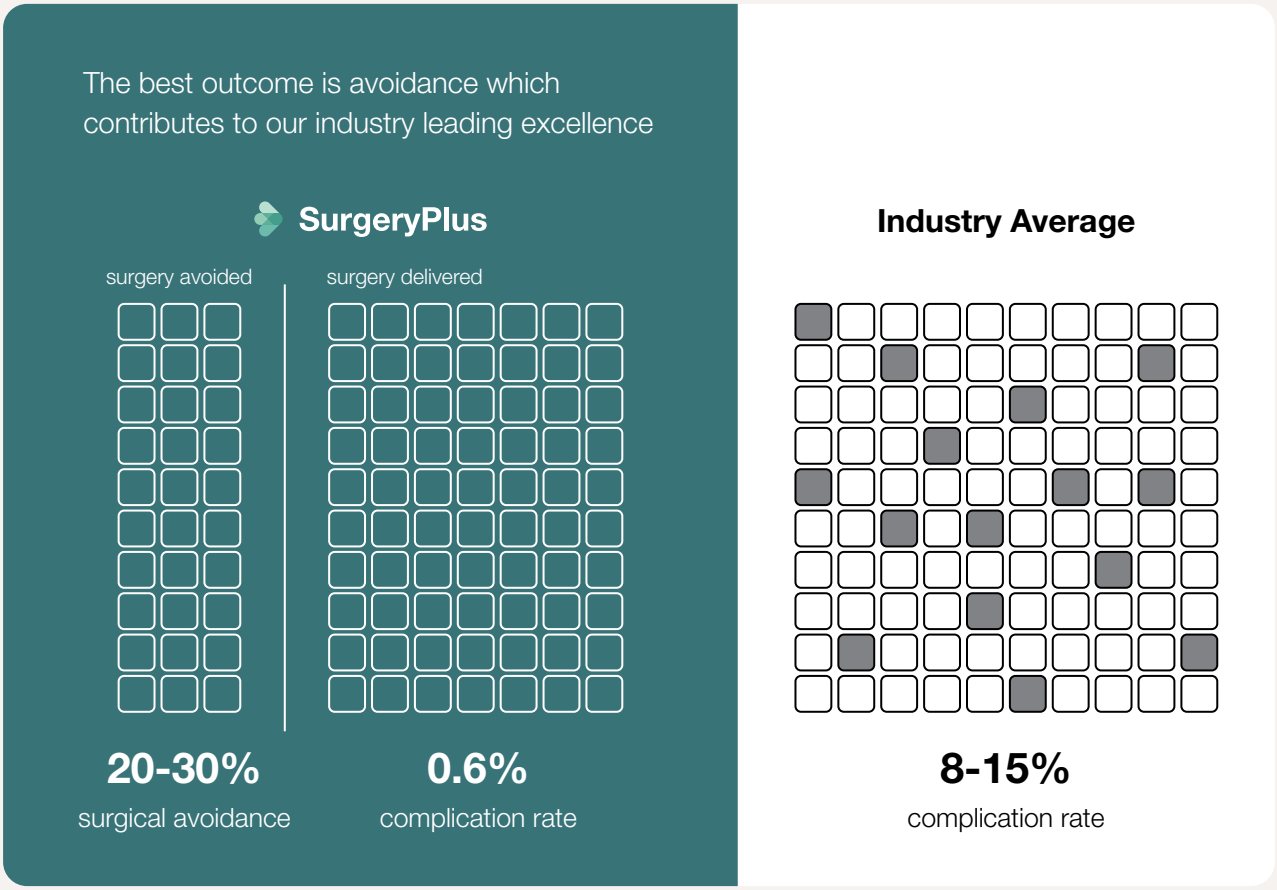
How We Validate Quality at EDH

Thorough pre-screening. Did you know not every surgeon is board-certified, and even fewer are fellowship-trained? Our review process screens for training, outcomes, protocols and more so only the most qualified surgeons are included.

In-depth interviews. At EDH, we believe that an algorithm alone can't determine whether someone is an excellent surgeon. That's why our team conducts interviews with 100% of the surgeons in our network.

Best-in-class medical advisory board. Some of the most well-respected surgeons in the U.S. developed and validated our approach to quality.

The quality of our network is clear in our results: Our surgeons know surgical avoidance is the best outcome and recommend against surgery 20-30% of the time. When surgery is called for, they deliver a near zero (0.6%) complication rate compared with an 8-15% industry average.



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About Employer Direct Healthcare

Employer Direct Healthcare is a market-leading healthcare services business providing high-quality and cost-efficient solutions for self-funded employers and their members. Our highly selective provider networks transform healthcare for its members, facilitating access to top-quality care at fair prices nationwide.

SurgeryPlus®, is the market-leading surgical benefit solution, providing full-service concierge and specialty network and Center of Excellence (COE) services to millions of covered members across 1,000+ employers. Our individually vetted, local surgeons, deliver optimal outcomes with complication rates nearing zero (.6%) and surgical avoidance rate of 20-30%. In 2022, we launched a first-of-its-kind, comprehensive end-to-end oncology solution, Cancer Care Direct®.

To learn more, **contact us today**.

Surgery Plus

Cancer Care Direct

Get in touch

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