Transforming Health Care: Implementing High-Quality / Low-Cost Care

Ronald Donelson, MD, MS
President
SelfCare First, LLC

donelson@selfcarefirst.com
www.selfcarefirst.com
“The Price of Excess”
PricewaterhouseCoopers, 2008

“wasteful spending in health system calculated at 54.5%.”

Biggest area of excess:
• redundant, inappropriate, or unnecessary tests and procedures
• followed by inefficient healthcare administration.
Impact of Musculoskeletal (MSk) Disorders:

- Health care is approximately 20% of the U.S. economy.
- MSk disorders are approximately 20% of U.S. health care.
- So MSk disorders: 4% of the U.S. economy.
- Half is unnecessary: 2% of U.S. economy.
In 2013, Massachusetts’ gross state product was $450B. So $9B (2%) was likely spent unnecessarily on MSk care.

How much is 2% of your annual H.C. spend?
The LBP and NP challenge:

- LBP and NP affect the great majority of people
- Conventional thinking: most recover on their own
- Guidelines: reassurance, return to activity ASAP
- LB and NP are the #1 and #4 leading causes of disability in the world
- For employers: LBP is a top health care spend
- LBP: direct + indirect costs = $5-600 billion /yr.
Don’t worry!
Stay active
Avoid bed rest

A HUGE problem!
A HUGE opportunity!

Acute LBP

Subacute

#1 Disability

Surgery

Injections

Multi-Disc Rehab

Drug Recovery

CBT
Despite three decades of tens of millions spent on thousands of research studies and guideline creation……


Reports an acceleration of:
- development of chronic pain
- opioid prescriptions / addiction
- use of injections and surgery
- work disability

Things are not improving; they are worsening!
Every process is perfectly designed to get the results it gets.
Paul Batalden, Ph.D.

Insanity: doing the same thing over and over again and expecting different results.
Albert Einstein

You will keep repeating the same patterns.... until you learn the lesson.
What is “the lesson”?

Is there a missing fundamental piece?
Quebec Task Force Report:

“There is so much variability in making a diagnosis that this initial step routinely introduces inaccuracies which are then further confounded with each succeeding step in care.”

The diagnosis “is the fundamental source of error….. Faced with uncertainty, physicians become inventive.”

The Source of Spine Care Chaos
A Game-Changing Discovery in Spine Care

Meet Mr. Smith...
(Circa 1956)

Meet Robin McKenzie
Mr. Smith, waiting for McKenzie
Monitor Pain Response Related to Directional Loading Strategies

Key: perform movements repeatedly to end-range.

Directional Preference → Reduce
Single direction

Centralize

Directional Vulnerability → Produce
Increase
Peripheralize

“Rapidly Reversible LBP”
<table>
<thead>
<tr>
<th>Author</th>
<th>Journal</th>
<th>Percentage</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donelson</td>
<td>Spine 1990</td>
<td>84-91 %</td>
<td>Acute</td>
</tr>
<tr>
<td>Sufka</td>
<td>JOSPT, 1998</td>
<td>60-83 %</td>
<td>Acute</td>
</tr>
<tr>
<td>Werneke</td>
<td>Spine, 1999</td>
<td>77 %</td>
<td>Acute</td>
</tr>
<tr>
<td>Karas</td>
<td>Phys. Ther. 1997</td>
<td>73 %</td>
<td>Acute</td>
</tr>
<tr>
<td>Donelson</td>
<td>Spine 1991, ISSLS 1991</td>
<td>58 %</td>
<td>Chronic</td>
</tr>
<tr>
<td>Delitto</td>
<td>Phys. Ther. 1993</td>
<td>61 %</td>
<td>Chronic</td>
</tr>
<tr>
<td>Erhard</td>
<td>Phys. Ther. 1995</td>
<td>55 %</td>
<td>Chronic</td>
</tr>
<tr>
<td>Kopp</td>
<td>CORR, 1986</td>
<td>52 %</td>
<td>Pre-Surgicals</td>
</tr>
<tr>
<td>Long</td>
<td>Spine, 1995</td>
<td>43 %</td>
<td>Pre-Surgicals</td>
</tr>
<tr>
<td>Donelson</td>
<td>Spine, 1997</td>
<td>49 %</td>
<td>Pre-Surgicals</td>
</tr>
<tr>
<td>Laslett</td>
<td>Spine Jrn1, 2005</td>
<td>32 %</td>
<td>Pre-Surgicals</td>
</tr>
<tr>
<td>Rasmussen</td>
<td>Spine Jrn1, 2005</td>
<td>(50%)</td>
<td>Pre-Surgicals</td>
</tr>
</tbody>
</table>
## Rapidly Reversible Subgroup Literature

<table>
<thead>
<tr>
<th>Reliability</th>
<th>Predictive Validity</th>
<th>RCTs</th>
<th>Disc Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spratt - 93</td>
<td>Kopp - 86</td>
<td>Karas - 97</td>
<td>Schenk - 03</td>
</tr>
<tr>
<td>Kilby - 90</td>
<td>Williams - 91</td>
<td>Donelson - 97</td>
<td>Fritz - 03</td>
</tr>
<tr>
<td>Spratt - 91</td>
<td>Donelson - 90</td>
<td>Snook -98</td>
<td>Long - 04</td>
</tr>
<tr>
<td>Riddle - 94</td>
<td>Donelson – 91</td>
<td>Sufka - 98</td>
<td>Brennan - 06</td>
</tr>
<tr>
<td>Fritz - 00</td>
<td>Spratt - 93</td>
<td>Werneke - 01</td>
<td>Kilpikoski - 09</td>
</tr>
<tr>
<td>Razmjou - 00</td>
<td>Erhard - 94</td>
<td>Larson - 02</td>
<td>Petersen - 10</td>
</tr>
<tr>
<td>Werneke - 01</td>
<td>Long - 95</td>
<td>Oliver 10</td>
<td>Guzy - 11</td>
</tr>
<tr>
<td>Kilpikoski - 02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clare - 04</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fritz - 04</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Werneke - 14</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Clare
LBP moving furniture
Worsened / down leg

PCP → PT
Anti-inflams
MRI

More PT
More PT

2 yrs of anti-inflams
2 yrs of P.T.

Ortho Surgery
NS opinion

“Chronic Pain Syndrome”

“Multi-D Activity-Based Program”

#2 Ortho Surgery
#2 MRI

$\$\$$

$\$\$$
Provided the opportunity to undergo an MDT examination:

- **History**: intermittent leg pain, worse with flexion, better with walking
- **Exam**: slouched sitter with buttock pain; erect sitting eliminated her buttock pain; flexion worsened pain;

Press-ups totally abolished pain.

Very impressed / very motivated to follow instructions
Clare’s Treatment & Outcome

• Instructed to do 10 press-ups 5-6 times/day; frequent standing backbends; given lumbar roll to help with erect sitting
• Returned in 2 days: very compliant; her leg pain of 2 years had stopped.
• Within days, her LBP eliminated; quickly off all meds; soon RTW and all activities.
Clare
LBP moving furniture
Worsened / down leg

PCP → PT
Anti-inflams
MRI

More PT

More PT

2 yrs of anti-inflams
2 yrs of P.T.

Ortho Surgery
NS opinion

#2 Ortho Surgery
#2 MRI

MDT Exam

Iatrogenic Disability

70-91%

Prevention
Complete Recovery
Predictably-Effective Treatment
Reversible Disorder

MDT Exam

“Chronic Pain Syndrome”

50%

Multi-D Rehab
Four cohort studies: For “pre-surgicals”, 50% have an undiscovered directional preference and are able to avoid unnecessary surgery


Integrated Mechanical Care (IMC):

A network of highly-trained MDT clinicians delivering comprehensive MSk care:

High-value:
- Continuous quality improvement
- Low cost: guaranteed 25% savings

High patient satisfaction
Easily accessed
TOTAL Direct Cost Comparison
For Fortune 500 manufacturer

<table>
<thead>
<tr>
<th>LBP Care Type</th>
<th>Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Cost/Case</td>
<td>$1,786.50</td>
</tr>
<tr>
<td>Mechanical Cost/Case</td>
<td>$866.89</td>
</tr>
<tr>
<td>Savings/Case</td>
<td>$919.61 (51.48%)</td>
</tr>
</tbody>
</table>
## LBP Results

### Utilization of Expensive Procedures

<table>
<thead>
<tr>
<th>Procedures</th>
<th>CC</th>
<th>MC</th>
<th>% Change</th>
<th>RR</th>
<th>p &lt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of patients</td>
<td>4,601</td>
<td>434</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced imaging</td>
<td>2.03%</td>
<td>1.02%</td>
<td>-49.8%</td>
<td>1.99</td>
<td>.011</td>
</tr>
<tr>
<td>Pain injections</td>
<td>1.8%</td>
<td>1.09%</td>
<td>-39.4%</td>
<td>1.64</td>
<td>.061</td>
</tr>
<tr>
<td>Lumbar surgeries</td>
<td>.74%</td>
<td>.16%</td>
<td>-78.4%</td>
<td>4.73</td>
<td>.015</td>
</tr>
</tbody>
</table>

Indirect Cost Savings?

- Indirect costs: commonly estimated to be 2-4 x direct costs: true savings would be 2-4x direct savings ($920/case)

- Employer reports that short-term disability duration was reduced by 50% (60 days → 30 days)
MIIA is partnering with IMC to bring high-value MSk care to its clients’ employees.

For 1,000 covered lives:
- 300 MSk cases
- $120-160K IMC savings

Guaranteed 25% savings:
If MDT is so good, why isn’t it already available in your communities?

1. Follow the money: Rescue operations are lucrative. The more rescue attempts, the greater the income, regardless of the outcome of the care.

“It is difficult to get a man to understand something when his salary depends upon his not understanding it.” — Upton Sinclair

Medicine is far more economic-based than evidence-based.
If MDT is so good, why isn’t it already available in your communities?

2. Clinicians have strong belief systems that justify their care.

"Most men who are capable of understanding difficult scientific, mathematical, or philosophic problems can very seldom discern even the simplest and most obvious truth if it obliges them to admit the falsity of conclusions they have formed, of which they are proud, which they have taught to others, and on which they have built their lives.”

L. G. Tolstoy
High Performance
Health Care Solutions/Vendors

Common Characteristics:

High subject matter expertise
Mission-driven & passionate
Deconstructed a problem and devised an unconventional/innovative solution
Data-driven / predictable cost-savings
Confident to go at financial risk for performance
High-performance solutions to lower your health care risk

Clinical Management:

- Musculoskeletal Disorders
- Cancer Care
- Cardiometabolic Care
- Primary Care
- Narrow High Perf Network
- Surgical Risk

- Allergies
- Dialysis
- Hemophilia
- Nearshore COE for High Intensity
- Acute & Chronic Conditions
High-performance solutions to lower your health care risk

Financial/Admin Management: (No disruption to you or your employees’ care)

- Reference-Based Pricing
- Bundled Pricing
- Rx Pricing Optimization
- Rx Formulary Optimization
- Specialty Rx Mgmt

- Imaging Mgmt
- Legal Compliance
- Claim Audit
- Large Claim Resolution
- 2nd Opinion
VA company evaluates/analyzes hospital claims for legality vs. illegality (not appropriate vs. inappropriate)

Illegal examples:
- billing for retrieving a lost sponge at surgery
- billing for a service already covered in another billing

RESULTS: recovers 17-25% of hospital’s charges // 5-10% of your total H.C. spend
Administrative Initiative (no disruption)

Pricing Optimization Analysis for Drugs

- Provide your Pharmacy Benefits Manager with a list of exorbitantly high-priced drugs
- Asks PBM to reduce prices or we’ll take our business elsewhere.
- RESULT: 15% decrease in non-specialty drug spend // 2% total health care spend
MIIA is committed to improving the quality while lowering the costs of care across Massachusetts municipalities.