



## Joint Replacement and Lumbar Fusion Bundled Payment Recommendations for Employers

Adopted by the Collaborative November 2013, September 2014

### What is the Bree Collaborative?

*In 2011, the Washington State Legislature established the Bree Collaborative to give health care experts the opportunity to look at ways to improve health care quality, outcomes, and affordability in Washington State. Our members are appointed by the Governor and all our meetings are open to the public.*

*The current model of health care pays physicians and other providers for the number of services provided rather than the quality of care. We chose to look at how physicians and hospitals are paid for health care services in order to tie payment to an entire episode of care including potential complications resulting from poor care.*

### What are bundled payments?

A bundled payment model makes one payment for an entire health care service, such as a knee replacement. All the separate parts of the service, such as pre-operative and post-operative care that your employees need, are included in the single payment. This type of payment is expected to have a lower total cost and allows health care providers, hospitals, and others to work more closely across their different settings and communicate better to improve care and patient health.



Our first bundled payment model focused on knee and hip replacements due to the high volume of these procedures and the differences in how these surgeries are performed across Washington State. Our second bundled payment model focuses on a type of spine surgery called lumbar fusion, a high-cost procedure that has a high complication rate and may not benefit patients as much as other types of care.

### Why are Bree bundles attracting national attention?

The bundled payment models developed by the Bree Collaborative are designed to improve safety, quality, and affordability and include innovations not found in most bundled payment models, such as:

- Separating medical opinion from fact with a detailed table of validated medical evidence to support each element of the bundle.
- An appropriateness standard requiring documentation that the surgery is actually needed despite patients having an opportunity to try non-surgical treatment. Sometimes non-surgical therapy, like physical therapy, helps pain and results in better patient health so that surgery is not necessary.
- An appropriateness standard requiring documentation that patients are fit for surgery, (e.g., avoiding tobacco for four weeks, maintaining good diabetes control). There are some patients who should not receive surgery because it would not be safe.
- A requirement to demonstrate safe transition out of the hospital and return to function.
- A requirement for providers to report employer-chosen quality data directly to employers.
- A warranty against readmission for any of nine complications. Much like a warranty that you would get when you buy a car, this warranty is for the hospital where your employees have their surgery. If they experience one of the preventable complications, such as surgical site bleeding or a wound infection, there would not be any additional costs.