

# Darwin's Theory of Evolution in Healthcare?

## Darwin's Theory of Evolution in Healthcare?

by Daniel Rosman, DPT



**D**uring the next five years, the most frequently asked question by hospitals will be, "Do your services save *this* hospital money?" If that answer is "yes," your business will have enormous financial growth potential. If that answer is "no," you might quickly be out of business.

New programs like the Comprehensive Care for Joint Replacements (CCJR) are the primary cause for this inevitable transition. Under this model, hospitals performing hip or knee replacements will be accountable for the costs and quality of related care from the time of the surgery through 90 days after hospital discharge. Depending on the hospital's quality and cost performance during that period, the hospital will either earn a financial reward or be required to repay Medicare for a portion of the spending above an established target.

The majority of the financial risk in this program falls on the hospitals. The

hospitals participating in this initiative have been afforded the freedom and flexibility to choose the parties with whom they work through this 90-day period. Based on the financial risk/reward inherent in this program, hospitals are incentivized to work with the healthcare partners that will save, rather than cost, them

*"Do your services save hospitals money?"*

money. Hospitals will develop alliances and partnerships with the physicians, home health agencies, skilled nursing facilities, and other rehab providers that best manage costs and provide efficient coordinated care.

Hospitals have begun implementing various methods designed to reduce overall healthcare costs following joint replacement surgeries. Hospitals attempt to autonomously control these expenses by reducing the length of patient hospitalization while improving the efficiency of inpatient rehabilitation. External budgetary factors will be addressed through the selective use of financially responsible healthcare partnerships.

PT ROM Associates, an innovative patient-formed company, has addressed these concerns head on. The invention and introduction of the ROM Board, a portable AROM system, is altering the landscape of healthcare. This device has proven to be an inexpensive and favorable alternative to the expensive CPM machines currently being used in a majority of hospital beds.

The home healthcare industry has also reaped substantial financial rewards by incorporating the ROM Board into regular practice. The obvious preference for hospitals under this initiative is to avoid using expensive skilled nursing facilities (SNF), and instead partner with home health agencies.

Demonstrating the ability to treat patients equally well with home PT at a fraction of the cost using the ROM Board versus a SNF has impacted hospital discharge planning.

As the industry shifts away from SNF and toward increased home PT, the ROM Board is essential to differentiate your home healthcare practice from the competition. The time has come to adapt to this changing landscape or face the extinction of your business.

---

Daniel Rosman, DPT, graduated from University of



Delaware in 2004 with a Doctorate in Physical Therapy.

