



A TOPIC AOPA IS WORKING ON THAT IS IMPORTANT TO THE FUTURE OF YOUR BUSINESS

Joint Amputee Coalition/AOPA Cost Effectiveness Study Could Buttress O&P's Value Claims in an Adverse Health Care Environment

The Core of the Issue

While we all know the tremendous value in enhancing mobility and restoring the quality of life for our patients' lives that accrues as a result of quality O&P care, no one, to date, has been successful in quantifying that benefit. We are fast moving into an environment that is likely to be controlled by consumer-driven health care, more so than by employer plans or even government decisions. Whether via private or government sector, more and more consumers will be allotted a fixed number of dollars with which to acquire their healthcare, and they will be looking for demonstrated cost effectiveness as they determine what to leave in, and what to leave out.



That's why the O&P cost effectiveness study that the Amputee Coalition and AOPA have commissioned could prove so very important to the future of your business. The two non-profits have engaged a recognized expert in mining hard data to answer, in economic terms, the question: are patients who receive O&P care better off, not just in quality of life, but financially better off, than similarly situated patients who do not receive orthotic and/or prosthetic care? The research team from Dobson-DaVanzo, headed by long-time, well-known health economics specialist Al Dobson, has devised a unique approach to quantify this issue. They have received special permission from Medicare to delve into the detailed records for each and every health care encounter for a select group of Medicare beneficiaries over a three-year period. Specific "trigger" O&P codes have been identified which indicate eligibility for O&P care, for example, an amputation, a stroke or other medical condition where mobility limitations are very likely to ensue.

Taking the easiest example, all individuals in the database who have received an amputation will be flagged, and every health care encounter (and cost) they incur over the remainder of the three years will be analyzed. Those amputees will immediately be segregated into two subsets—those whose records indicate that they received prosthetic care, and those that did not. Then the health care experiences of these patients will be tracked and compared. Dobson-DaVanzo will be able to track a wealth of factors: obviously, which patients had the higher total health care expenditures, but also, were there differences between states that had licensure statutes, parity statutes, generous vs. paltry Medicaid programs and many others. It will give us at least some preliminary guidance as to whether the volume/cost

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of services attributable to specific patients is greater or less when care is initiated in the O&P facility, as opposed to in the physician's office, pharmacy or other site of service. The Amputee Coalition has staked its reputation as a patient advocacy voice on the value of the study, and AOPA has committed nearly \$100,000 to underwrite the costs of the study.

Why Is It Important to You?

In economic times that are demanding wholesale cuts in government and private sector benefit plans, there is an increasing emphasis on value. Pay for performance, accountable care organizations, comparative effectiveness studies, cost effectiveness—choose what terminology you prefer. But if you can't demonstrate that the services you provide are delivering value, cost effective value, to your patients, you are probably going to be left behind.

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Take a look at today's furor over PSA screening for prostate cancer as one example—to remain a vibrant part of health care, you must deliver value to patients, and be able to show that value in economic terms. Other larger, more dominant and better funded aspects of health care are significantly ahead of O&P in being able to point to the kind of studies that provide scientific and/or economic evidence of that value. So, this Dobson-DaVanzo cost effectiveness study is dramatically important to everyone in the O&P business, because unless we can show solid economic evidence of cost effectiveness, the future of your business is in jeopardy.

What Is AOPA Doing About This?

As I've already indicated above, AOPA has joined forces with the Amputee Coalition to commission, initiate and fund the Dobson-DaVanzo study. We are pressing for the preliminary report ASAP, in hopes that this may provide some valuable information that can be channeled into the critical HHS decision about whether O&P will be treated as an essential health benefit under the healthcare reform law. This same data will provide very valuable input on mounting our continuing challenge to efforts by state Medicaid programs to pare back or eliminate O&P benefits, and it can give our members some very critical information that they can use to measure the worth they can bring when you are asked to consider being part of an accountable care organization—whether in the government or private sector.



The Bottom Line

Make no mistake; the healthcare environment in which your business is operating is changing dramatically, and at lightning speed! The fundamental measuring stick is—are you cost effective...are you delivering significant value that both reduces costs and improves lives? Without solid cost effectiveness data, your business can easily be seen as part of the problem, rather than being part of the solution. Depending on the success of the Dobson-DaVanzo study, you may, for the first time, have solid, validated, and reproducible data to reach in compelling terms the conclusion that “yes,” we measure up, and we have data that shows patients are better off, and healthcare dollars are saved when people use our services. You can't afford NOT to have that data in your portfolio moving forward into the very perilous times of today and tomorrow.

Be assured that AOPA will keep you well-informed of the results that evolve from this critical Dobson-DaVanzo study. We are even prepared for the likelihood that this data will seed some further questions—for example, we have already determined that a larger percent of physicians than we had known simply do NOT refer certain categories of patients—based largely on age and site of amputation—for any prosthetic care. Why? And what can be done about it? AOPA continues to fight each day to assure that you have all the answers you need to keep your practice vibrant and productive!

Very truly yours,

Thomas F. Fise, JD
AOPA Executive Director