NAPA North American Partners in Anesthesia®

WHITE PAPER

Rethinking the Value of Pain Management for the Value-based Payment Era:

A New Paradigm to Reduce Readmissions and Raise Revenue

BY JOHN F. DI CAPUA, MD AND FRED N. DAVIS, MD

A pain management service line improves the patient experience and drives multiple revenue streams for healthcare providers. This white paper explores how closing the gap between acute, sub-acute and chronic pain is consistent with current trends in customer service and yields rewards for patients, providers and payers alike.

Pain has been recognized as part of the human condition for millennia, but the real impact of pain in the United States was perhaps only realized in 2010, when the *Patient Protection and Affordable Care Act* required the Department of Health and Human Services (HHS) to engage the Institute of Medicine (IOM) in exploring pain as a public health problem. Founded by the National Academy of Sciences in 1970, the IOM is a widely respected source of objective guidance for the federal government and other agencies that rely on its reports to develop public policy.

"Pain is ubiquitous. If you have a **good pain management system** in place, there will be **no shortage** of patients."

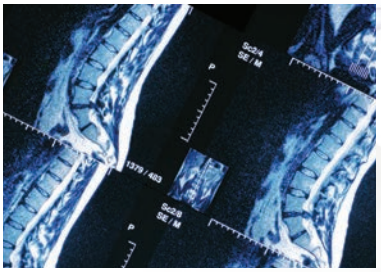
Fred N. Davis, MD PRESIDENT & CO-FOUNDER, PROCARE SYSTEMS, INC., A NORTH AMERICAN PARTNERS IN ANESTHESIA COMPANY

Thus, when the IOM's Committee on Advancing Pain Research Care and Education released Relieving Pain in America: A Blueprint for Transforming Prevention, Care, Education and Research ("the Blueprint") in June 2011, its findings reverberated throughout the healthcare industry. Among the Blueprint's many actionable items were these five directives:

1. The nation must adopt a **population-level (pain) prevention and management strategy.**
2. **Healthcare providers should increasingly aim at tailoring pain care** to each person's experience.
3. **Better data is needed** to improve pain assessment and manage the delivery of healthcare and financing programs administered by the federal government.
4. **Primary care physicians** who handle most front-line pain care should **collaborate with pain specialists** in cases where pain persists.
5. **Public and private insurers can help by offering incentives to support the delivery** by primary care providers of **coordinated, evidence-based, interdisciplinary pain assessment and care** for persons with complex pain.

"Chronic pain alone affects approximately 100 million U.S. adults," according to the IOM. "Pain reduces quality of life, affects specific population groups disparately, and costs society at least $560-635 billion annually in medical treatment and lost productivity."

THE EVOLUTION
OF PAIN MANAGEMENT



Our perception of a hurtful sensation as physical torment—embodied in the word "pain"—descends from the early Greeks, who believed that bodily suffering was inflicted by Poine, the goddess of revenge, and so derived the word describing this feeling from her name, making Poine a good candidate for the "mother" of all pain. Inquiries to understand pain predate Hippocrates, but it took nearly 2,500 years until the specialty found a "father" in Dr. John J. Bonica, an anesthesiologist credited with launching pain management as a field of medical study. His comprehensive textbook, The Management of Pain (1953), was the first to explain the science behind a modern treatment philosophy that for centuries was rooted in magic and ritual.

Dr. Bonica began his lifelong dedication to pain research and treatment in 1944, when he was Chief of Anesthesiology at Madigan Army Hospital in Fort Lewis, Washington, and was profoundly moved by the pain and suffering of wounded soldiers. After 1960, as Chairman of the Department of Anesthesiology at the University of Washington in Seattle, he won a National Institutes of Health grant to found the prestigious Anesthesia Research Center, and in 1973 established the first international symposium on pain research and therapy.

This evolved into the International Association for the Study of Pain (IASP) the following year, cementing the organic relationship between anesthesiology and pain management. In 1994, the IASP published its widely accepted definition of pain, bestowing clinical validity on the emotional and psychosocial reactions to pain as well as its physical and biological causes. As defined by the IASP, pain is "an unpleasant sensory and emotional experience associated with actual or potential tissue damage, or described in terms of such damage…Pain is always subjective."

AN OBJECTIVE APPROACH TO PAIN

Pain may be subjective, but in the 21st century, its measurement and treatment applications are not. With a prescience that anticipated the movement to Value-based Purchasing (VBP) models, ProCare Systems and parent company North American Partners in Anesthesia (NAPA) are leading the way in managing acute, sub-acute and chronic pain. They have been pioneering innovative technologies to objectively measure patients' perceptions of pain and pain relief, and developing new clinical protocols to ensure high customer service experiences that are equally measurable and repeatable.

ProCare, a pioneer in developing and managing pain medicine practices since 1994, has developed PRISM™, a medical intelligence system that incorporates a multidimensional pain health and outcomes tool that assesses the unique personal pain experience of each patient. In addition to measuring pain, functional status and psychosocial health, quality of life and patient satisfaction dimensions are also assessed. PRISM effectively analyzes patient-reported data in real time, supporting clinical decision-making and enabling pain management physicians to better optimize personalized care plans.

Using PRISM's dashboard screens, physicians can also educate patients about treatment options and share information and visual progress reports, creating a patient-centric experience that fulfills IOM's mandate to: "Involve patients and families in decisions regarding health and healthcare, tailored to fit their preferences. Patients and families should be given the opportunity to be fully engaged participants at all levels."[1]

PRISM answers this call by allowing patients to become partners in their own customized care. Reviewing the PRISM dashboard with their physicians helps patients feel understood, respected and less anxious, which can lessen the perception of pain. Research has documented that anxiety is a proven pain-driver, and when anxiety goes down, outcomes are better. (And in a VBP environment, better outcomes yield higher payments.)

"Clinicians should employ **high-quality, reliable tools and skills for informed shared decision making** with patients and families…Digital technology developers and health product innovators should develop tools to assist individuals in managing their health and health care."

Institute of Medicine, 2012

[1] *"Best Care at Lower Cost: The Path to Continuously Learning Health Care in America," Institute of Medicine (2012)*

PRISM DASHBOARD SCREENS

DRIVE PATIENT ENGAGEMENT, CLINICAL DECISIONS AND BETTER OUTCOMES

Demographic Information

Patient Name:	[redacted]	Initial Assessment Date:	Jul 27, 2011
Age:	57	Cumulative Assessment Date:	Feb 11, 2014
Referring Physician:	[redacted]	Narcotics Risk (NRM) Scoring	Low (4.78%)
PAM Score:	2	Poor Psychosocial Health	

PsychoSocial Indices

	Initial Results 100% is worst	Index History	Cumulative Results 100% is worst	Change + is good, - is bad
Depression Anxiety Index:	95%		66%	+29
Life Control Impairment Index:	100%		50%	+50
Anger/Relationship Index:	60%		62%	-2
Objective Social Interference Index:	95%		33%	+62
Perceived Social Interference Index:	23%		50%	-27

Functional Indices

	Initial Results 100% is worst	Index History	Cumulative Results 100% is worst	Change + is good, - is bad
Objective Functional Upper Body Impairment:	82%		40%	+42
Objective Functional Lower Body Impairment:	87%		28%	+59
Objective General Functional Impairment:	96%		46%	+50
Perceived Functional Impairment Index:	82%		38%	+44
Perceived Pain Interference	100%		70%	+30

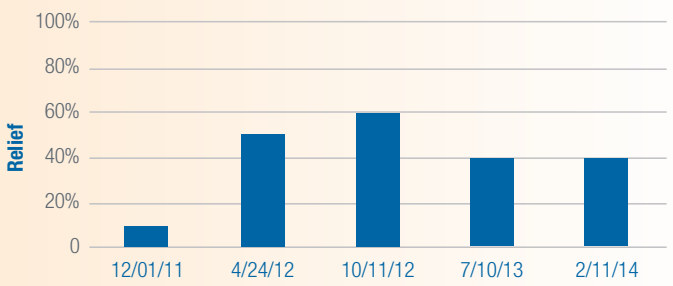
Quality of Life Interference

	Initial Results 10 is worst	Index History	Cumulative Results Percent Improvement
Activity in general	8		60%
Mood	8		60%
Ability to walk	8		60%
Housework and/or job	10		60%
Relationships with others	9		60%
Sleep	10		60%
Ability to enjoy life	10		60%

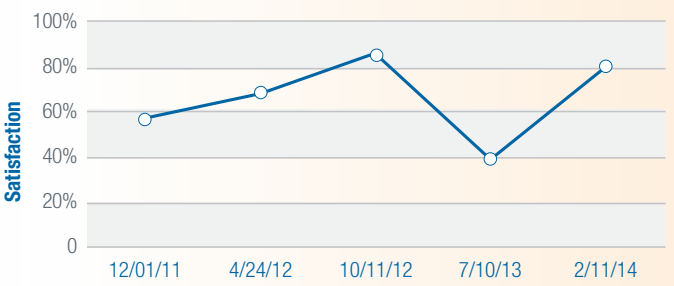
Cumulative Improvements

	Initial Results 100% is worst	Index History	Cumulative Results 10 is worst	Change + is good, - is bad
Pain Rating:	9		8	+1

PERCENT RELIEF RECEIVED



PATIENT SATISFACTION



"Misjudgment or failure to understand the nature and depths of pain can be associated with serious consequences—more pain and more suffering—for individuals and our society."

Philip A. Pizzo, CHAIR & **Noreen M. Clark,** VICE CHAIR
INSTITUTE OF MEDICINE "BLUEPRINT" COMMITTEE

MEDICAL INTELLIGENCE

SUPPORTS HEALTHIER BUSINESS OUTCOMES

PRISM features that drive business performance are equally valuable to pain management offices, which use the aggregated data capital that ProCare calls "the voice of the patient" to confidentially benchmark their performance against other pain practices and physicians and manage their internal performance. Data can also be shared with payers to support reimbursements based on best value and demonstrate with evidence how proper pain management contributes to value-based care.

ProCare's sophisticated way of measuring the patient experience and correlating the data to a whole person treatment plan that improves outcomes and quality of life is far from the "factory" approach that patients often experienced in the early days of pain management. A focus on outcomes is consistent with the need for more personalized healthcare, and supports the relatively new recognition that many diseases have a pain component, which drives resource utilization and costs. While treating pain is fundamental to healing patients, it also helps to heal a healthcare system overburdened by escalating economics. Effectively controlling pain translates to tremendous cost control around the globe.

Hospitals and owners of ambulatory surgical centers (ASCs) are taking notice of patient-focused, data-driven pain management because neglecting to understand pain as it relates to the patient experience will increasingly have painful financial consequences. According to the Merit-Based Incentive Payment System (MIPS) proposed in the 2015 Medicare Access and CHIP Reauthorization Act, by 2019 physicians could be subject to an 11% financial penalty or earn up to a 5% bonus, tied to their outcomes metrics. Of the core measures used to establish benchmark parameters, the patient experience—which equals the sum of the clinical quality of care plus patient satisfaction—contributes 25% to the total score.

Patients in pain are unhappy patients with negative customer perceptions. Postoperative patients in pain are frequently readmitted, driving down reimbursements. When a quarter of the metrics that determine payments depend literally on how patients feel, patients in pain can lead to suffering in the bottom line.

RESULTS ACHIEVED WITH PROCARE'S PAIN MANAGEMENT SERVICES IN AN HMO PILOT PROGRAM

QUALITY OF LIFE IMPROVEMENT

General Activity	47%	Relationships with Others	55%
Mood	50%	Sleep	42%
Walking Ability	46%	Enjoyment of Life	50%
Normal Work	44%		

PATIENT EXPERIENCE OUTCOMES

56% Average Percent Relief Received

89% Average Patient Satisfaction

ECONOMIC RESULTS

500 Patients Treated Since 2011

26% Savings Overall ($400 pmpm) for patients in the program as care shifts to optimization phase

SOLUTIONS FOR A NEW AGE:

PAIN MANAGEMENT AND THE PERIOPERATIVE SURGICAL HOME

"As the providers charged with controlling a patient's acute pain during surgery, anesthesiologists are well-positioned and well-trained to understand how **proper pain management from pre-op through discharge planning and patient recovery** fits into the PSH model."

John F. Di Capua, MD, CHIEF EXECUTIVE OFFICER, NORTH AMERICAN PARTNERS IN ANESTHESIA

In the preface to the IOM "Blueprint," committee chair Philip A. Pizzo and vice chair Noreen M. Clark wrote, "Healthcare providers are eager for new solutions and new insights, particularly with respect to chronic pain when a defined cause is lacking," adding, "The committee recognizes the need for new tools and metrics with which to define, diagnose, and monitor pain and its consequences, as well as for new approaches to treatment and prevention that are likely to result from novel and more interdisciplinary approaches to research."

NAPA, the nation's leading single-specialty anesthesia and perioperative management company, is responding to this challenge for new approaches with a pilot for a Perioperative Surgical Home model (PSH) in which the anesthesiologist serves as a patient's Director of Perioperative Services, coordinating a more proactive, team-based approach to the surgical process, from the patient's decision to have surgery through rehabilitative care. Since many of NAPA's more than 2,000 anesthesiologists and certified registered nurse anesthetists (CRNAs) are also trained in pain management, NAPA sees pain services as a natural progression in its customer-focused care strategy.

The American Society of Anesthesiologists (ASA) expects metrics related to PSH to demonstrate "improved operational efficiencies, decreased resource utilization, a reduction in length of stay and readmission, and a decrease in complications and mortality—resulting in a better patient experience of care." The trend towards implementing PSH in patient care has accelerated as more surgical procedures migrate from inpatient to ASC and office-based settings. A June 2014 study by the Center for Health Organization Transformation found that despite wide variation in many aspects of PSH programs, integrated pain management was a key element of both the intraoperative and postoperative stages.

Excelling in the customer experience since 1986, NAPA now provides anesthesia services for more than 200 healthcare facilities in 11 states, and executes on a culture of continuous improvement with ongoing investments in infrastructure and innovation.

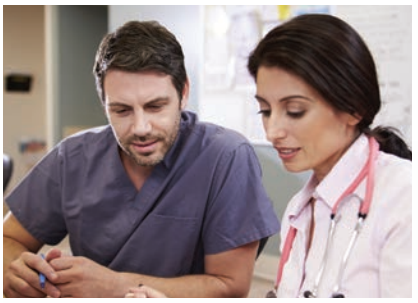
Examining how sub-acute and chronic pain management factors into any patient-focused model for personalized care led NAPA to reorganize how it provides medical care—from an exclusively acute/sub-acute period to encompass end-to-end services that extend from acute through chronic pain. This full spectrum approach allows NAPA to better serve, for example, orthopedic surgery patients in ASCs who do not have two to three days of inpatient recovery, where pain can be monitored and managed. Sent home shortly after surgery, it is critical to provide these patients with acute and sub-acute pain control. But what happens next? Research shows that nationwide, one in seven surgery patients are readmitted to the hospital within 30 days, and pain is a key driver of readmissions. Thus, controlling post-surgical pain helps NAPA also serve its hospital clients by reducing readmissions that negatively impact reimbursements and revenue.

Considering how pain is managed beyond the acute phase makes perfect sense for NAPA, which is guided by a mission to always do what's right for the patient. In December 2015, NAPA acquired ProCare so that it can serve patients seamlessly as they transition from acute pain in the hospital (NAPA) to chronic pain in the community (ProCare).

IMPROVING PAIN RELIEF

BENEFITS PATIENTS, PROVIDERS AND PAYERS

A continuum approach to delivering pain management services has far-reaching customer service and financial benefits for hospitals, ASCs, surgical suites and primary care practices.



HOSPITALS know that pain management is one of the 18 core questions patients address in the HCAHPS (Hospital Consumer Assessment of Healthcare Providers and Systems) survey created by the Centers for Medicare and Medicaid Services (CMS). A proactive pain management program helps hospitals innovate and build loyal patients, while adding new revenue streams.

ASCs benefit from pain management service lines that add new sources of revenue and control pain to create positive consumer experiences.

PRACTICES use ProCare and NAPA's turnkey, comprehensive pain management program to deliver a superior experience. Pain management complements a surgical suite or physician's services, and helps practices achieve their financial goals.

As pain management has evolved to an evidence-driven, sophisticated source of patient comfort and satisfaction, the healthcare industry is realizing that it's time to move pain management into more cost-effective delivery channels that can treat patients at every stage of their pain. ProCare and NAPA are at the forefront of this evolution in care.

Healthcare providers are finding that a new approach to pain management is one prescription for the pain associated with healthcare reform, and for this pain, relief is close at hand.

Contact NAPA

Email **info@NAPAanesthesia.com**
Call **516.945.3333**

CORPORATE HEADQUARTERS
North American Partners in Anesthesia
68 South Service Road, Suite 350
Melville, NY 11747

About North American Partners in Anesthesia

Founded in 1986, North American Partners in Anesthesia (NAPA) is the leading single specialty anesthesia and perioperative management company in the United States. NAPA is comprised of the most respected clinical staff, providing thousands of patients with superior and attentive care. The company is known for partnering with hospitals and other health care facilities across the nation to provide anesthesia services and perioperative leadership that maximize operating room performance, enhance revenue, and demonstrate consistent patient and surgeon satisfaction ratings.

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at a Time...Every Day.®

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