Surgical Implant Cost Containment (SCCP) Case Study
Case Study

Company profile
Orchid Medical is the leading medical cost-containment and ancillary solutions company serving the workers compensation industry.

- Established in 2002 as a medical equipment and supply company, Orchid Medical was founded on the principle of delivering quality care and solutions to the insurance industry.
- Today, Orchid Medical has evolved into one of the premier national medical service companies dedicated to workers’ compensation.
- Headquartered in Orlando, Florida, Orchid Medical offers a broad range of products and services which include DME, Orthotics & Prosthetics, Physical Therapy, Diagnostic imaging, Home Health, and Transportation and Language services.
- Fully comprehensive medical service company with a nationwide network of service providers.
- Our managed care solutions are divided into three categories: Catastrophic, Specialty, and Standard.
- The two premier services added to our repertoire are the Surgical Cost-Containment Program and Urinary Drug Testing.

Business situation
One of our clients decided to use our Surgical Cost Containment Program (SCCP) on a trial basis throughout the 2013 calendar year. The results were evaluated at the end of last year to compare quality and overall savings.

Technical situation
Orchid Medical has developed a program to contain the cost of surgical implants and biologics in Workers’ Compensation. The Surgical Cost Containment Program® (SCCP) utilizes our existing network of surgical implant manufacturers and medical staff to procure surgical implants at a reduced price using two distinct methods:

1) **Prospective** – Orchid Medical is notified prior to a scheduled surgery with no interruption of care to procure the surgical implants necessary at a reduced price. This method prevents a surgical facility from bundling and/or marking-up the implants used in a surgery thus greatly reducing the total cost of a surgery. Typically, surgery centers and hospitals mark-up implantable devices 300% – 400%. This method has no out of pocket fees without using an implant formulary that limit the physician’s choice.

2) **Retrospective** – This method occurs post-surgery once a bill is subject to Medical Bill Review (MBR). The retrospective review utilizes medical staff and leverages our existing implant manufacturing contracts to negotiate a reduced cost for implants used in surgery. This model can be implemented in MBR (if needed) as a part of the review process.

Solution
- **32 Cases** in GA and FL captured for 2013.
- **$244,000 in Savings** below Fee Schedule/U&C.
Benefits

- Program utilizes a team of physicians with experience in orthopedics
- SCCP implant carve out prevents facilities from marking-up surgical hardware
- Average implant savings below State Fee Schedule/UCR is 50%
- Provides discount without PPO fees
- Orchid Medical is not physician owned
- Predictable implant pricing and appropriate billing for better claim reserving
- 24/7 support and online web portal for referral inquiries with EDI capabilities.

Products and services Orchid Medical used

- Client-specific Care Coordinator Team
- Dedicated Account Service Manager
- Ease of making a referral
- Immediate response to quotes and DME questions
- Service 24 hours a day, 7 days a week
- Self-managed files through OMNI
- ATP certified staff

For more information about Orchid Medical’s broad range of ancillary medical services and surgical implant savings program, contact us at referrals@orchidmedical.com or 1.866.888.6724.

The case study presented above is intended solely for the purpose of providing general information about the Orchid Medical SCCP program. It is not intended to give or replace any medical advice with respect to any specific patient. Risk factors, cooperation and results may vary from case to case. An approach such as the one described above should never be attempted without the medical advice of a physician responsible for independently evaluating the specific patient’s medical history.