



## **Anesthesia and Pain Management Outlook: Reasons for Optimism**

Written by Frederick Miller, MD, MBA, MHA and CEO of PhyMed | May 06, 2014

### **Why to be optimistic about pain management and anesthesia through 2014 and into 2015**

Earlier this year, Becker's looked ahead to the areas where private equity investment is moving in healthcare. It wasn't surprising to us that of the five areas mentioned, two — pain management and anesthesia — describe PhyMed's core business. As operators of anesthesia and pain management centers, we have a unique window on the future of healthcare delivery. Despite the pressures of practicing medicine on the shifting sands of different payment models, we have reason to be optimistic for 2014 and into 2015.

Here's why:

#### **Pay for performance — it's already here**

Anesthesiologists are well suited for the shift to value-based care. It's a better environment for us, because we're being compensated for what we've been doing all along. Anesthesia practices adopted quality and patient satisfaction measures well before the market caught up with us. As a result, anesthesia didn't have to be dragged into the value based care model; we were already there.

#### **Consolidation**

Not surprisingly, the quality and patient engagement initiatives coming out of the move to pay for performance drives more anesthesia practices toward consolidation. Information systems, data collection and reporting all need to be at the level necessary to support quality and patient engagement initiatives, which is increasingly difficult for stand alone or small practices.

#### **Team-based care models**

We interact with the patient before, during and after a procedure, and are often the only member the only physician or practitioner the patient sees throughout their hospital stay. This perioperative span prefigured the adoption of the medical home model.

At PhyMed, we identified every area of perioperative care and mapped out processes and steps associated with each phase — from first exposure to post discharge. In doing so, we learned two things: You can't silo the efforts of

physician, nurse practitioner (in most cases, a CRNA) and clinical staff, and you must preserve the flexibility of staff to move between care locations. It's far too simplistic to isolate the efforts of the physician and the nurse practitioner when the job requires the overlapping skills of both. This team approach to decision making can often cut the cost of operations in half, as a recent study of one of our anesthesia centers has shown

### **Pain management is in for a reputation overhaul**

According to the Institute of Medicine, more than 100 million Americans suffer from some sort of chronic and/or acute pain. When one third of the population is affected, the healthcare industry takes notice. Pain management clinics sprang up everywhere, often with limited quality, cost and inventory controls. This led to an early and understandable reputation as "pill factories," sometimes dispensing care with fraudulent consequences.

As physician-owned and physician-led anesthesia practices move into the field, pain management clinics are being re-shaped into sophisticated, well-managed operations. Anesthesia practices take what they've learned in the surgical suite about quality and move it into the clinic level, leading to better outcomes for everyone.

### **Technology drives everything from quality to consolidation pressures**

Developments in health information technology are driving the shift to value-based care. At the same time, health IT opens up new ways for practices to engage with patients. A heightened regulatory environment drives the absorption of new policies and procedures into practice operations, thus accelerating the demand for myriad health IT solutions. In other words, health IT is big for physician practices.

Anesthesia and pain management will have to be at the forefront of blending technology into patient care. Again, due to the perioperative span of our involvement with a patient, we rely on a number of health IT solutions to improve our performance and manage our practices. These include tools like:

- A mobile application, like the one we use at PhyMed, to follow up postoperatively with patients to assess their quality of care.
- A data capture system to fully demonstrate our impact on how care is provided.
- Technologies to securely share patient data between practice and hospital and among providers, patients and payers.

### **Conclusion**

The triple aim of healthcare — quality, cost containment and patient satisfaction — is within the reach of most anesthesia practices, but only if they can anticipate and adjust to the trends driving our healthcare system.

Dr. Miller has more than 20 years of healthcare services experience, which includes a national multi-specialty physician group and practice management company. Most recently, Dr. Miller served as the president of Pediatrix (a division of MedNax, a NYSE company), which had revenues in excess of \$1.3 billion, with approximately 1,300 physicians and 600+ advanced practitioners managing 10 service lines and serving more than 500 hospitals in 120 markets (34 states and Puerto Rico).

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