

Three-Phase Program An Executive Summary

Cloud Based IT Solution | Provider Centric | Manufacturer Agnostic

Over the years, complicated and redundant manual processes have been put in place to manage "bill only" implant procedures. These processes have contributed to inefficiencies and increased Provider costs and liabilities with no apparent increase in control, compliance, enforcement, or patient outcomes.

Implant vendors and sales reps are in a controlling position when it comes to implant cases to the detriment of the Provider. This has created an environment of silos void of visibility, transparency, and accountability. Cost of implants is approximately 40+% of cost of surgery.

It is time for the Provider to take back control of the implant "bill only" procedures, creating the transparency and visibility needed to be empowered.

Surgery Exchange™ is a comprehensive HIPAA-compliant software solution specifically designed to support provider with end-to-end planning and case management focused on "bill only" implants

and associated workflow. Surgery Exchange brings all internal and external stakeholders including physician and sales rep into a collaborative environment. It delivers to Providers transparency and visibility needed to automate processes and take back control of the costly and time-consuming activities associated with implant surgeries. It produces measurable cost-savings made possible through process efficiencies and accountability before, during and after surgery.



Surgery Exchange does not replace systems at the Provider but rather, it brings these systems, hospital staff, and case stakeholders into an efficient platform that allows people and systems to work at their optimal potential while ensuring that the Provider maintains control over the entire process.

Surgery Exchange enables the Provider to manage and control the entire implant ("Bill-Only") process for all service lines across the entire hospital system providing a number of benefits including:

- Breaks down silos and implements a "lean" proactive workflow in accordance with hospital defined rules
- Facilitates communication among all internal and external stakeholders including physicians and vendors

- Ensures vendor contract compliance is enforced before, during, and after surgery
- Acquires vendor's physician implant preferences to perform the procedure
- Improves workflow efficiency
- Assists in implant billing accuracy and clarity
- Creates visibility and transparency system wide for all service lines
- Collects real-time normalized actionable data
- Assists in CMS compliance for bundled payments, and revision procedures

Three-Phase Program

The Surgery Exchange platform is the foundation for a comprehensive 3-phase program as defined below. This program is the cornerstone to transition control from vendor and sales rep to Provider.

Phase 1 – Foundation Goal: Reduce hospital's cost to serve

Implement Surgery Exchange™ to allow the Provider to begin to take back control of implant surgeries deriving a number of benefits including:

- Process efficiency/standardization
- Vendor contract enforcement
- Visibility and transparency
- Collection of real time normalized actionable data
- Identification of hidden costs

Phase 2 – Strategic Goal: Reduce vendor's SG&A

Implement Inventory Exchange™ to allow the Provider and/or health system visibility and control over vendor consignments.

- Control consigned inventory reducing/eliminating embedded vendor overhead costs
- Reduce overall liability & exposure
- Eliminate additional charges for "lost" inventory

Phase 3 – Transformation Goal: Control the implant distribution channel

Implementation of a solid foundation and a strategic platform would allow the health system, if desired, to transition to a rep-lite, rep-less, or self-distribution environment and implement predictive bulk buys.

- Provider controls the implant logistics channel eliminating additional embedded vendor costs
- Work closely and directly with manufacturers

Financial Benefits and ROI

Cost of Surgery Exchange is insignificant when compared to the anticipated savings the Provider, as well as the hospital system will receive. These savings could reach 30% to 40% of cost implants.

Surgery Exchange is willing to enter into a gain-sharing arrangement with the Provider/health system and stake its revenue to the cost savings that it generates to the Provider/health system.