
Joint Incentives for Surgical Savings



There are significant cost-saving opportunities in the management of operating room inventory if surgeons agree to standardise supplies used to perform surgical procedures. However, since there is very little incentive for surgeons to participate in such decisions as the benefits of such cost-saving is realised by the hospital and not the practitioner, a shared-savings programme was instituted that returned 50% of money saved to the surgery divisions.

It was identified that savings could be achieved through reduction in the use of biologic mesh, cranial plating systems, and neurostimulators. A physician champion was assigned who was responsible for ensuring that there was clinical equipoise between the products being used. Cost-savings derived from these measures were equally divided between the hospital and the surgery divisions.

The shared-savings programme resulted in total savings of \$893,865 with \$446,932 being shared across 15 surgery divisions. Standardisation of cranial plating systems (\$374,805) generated the greatest amounts of savings followed by neurostimulators (\$278,404) and biologic mesh (\$240,655).

The programme thus proved that aligning hospital and surgeon incentives resulted in significant cost-savings and standardisation of the operative inventory used. There was no negative impact on the quality of care by this approach and there was no conflict of interest either.

Source: [Surgery](#)

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