Dr. Stephen Hochschuler: 8 Changes to Ensure a Brighter Future for Spine Surgery

Written by Laura Miller | February 07, 2012

Stephen Hochschuler, MD, co-founder of Texas Back Institute and past president of the International Society for the Advancement of Spine Surgery, discusses eight changes for a more positive spine and healthcare environment in the future.

1. Consider other spine surgeons as partners instead of competitors. Physicians tend to see each other as competitors, which is one reason why they have trouble uniting behind one cause. Due to the rising costs and uncertainty of the future healthcare environment, many spine surgeons are beginning to sell their practices and become employed by hospitals. Hospitals are willing buyers because they want to control as much of the market share as possible, but this could come at a cost for surgeons and their patients.

"In medical school, the students who knows most of the answers move up and the other guys switch to other programs; you go through your entire training like that," says Dr. Hochschuler. "At some institutions, they tell students a third of their classmates won't make it through the program at the very beginning. They are competing all the way through to their private practices, so there is no way they are going to win."

Unifying behind mutually beneficial causes is extremely crucial for physicians to hold influence over the future of the healthcare industry, but it will take a major cultural shift within the medical community.

2. Increase physician participation business and legislation. Traditionally, spine surgeons and other medical professionals have focused on the healthcare delivery aspects of their practice instead of the business side. They have also failed to garner influence among legislators in Washington, D.C. Other professionals, such as lawyers, have become much more proficient at running a successful business and lobbying lawmakers than medical professionals.

"Trial lawyers, hospital associations and insurance companies all have lobbyists and lobbyists have tremendous influence on what goes on in Washington," says Dr. Hochschuler. "Surgeons, in a sense, never got out of medical school; they never had to face the economics of their situation because they left that up to the people who were running their offices. Physicians never paid attention to cash flow and didn't learn how to run a business. When you don't have a strong lobby and don't know about economics, you are targeted."

While the American Medical Association and, more recently, the North American Spine Society, have engaged in advocacy at the national level, their efforts are handicapped by lack of donations and experience. "Other organizations might have 100 lobbyists and make huge donations to political campaigns while we have few lobbyists and don't know how to play the political game," says Dr. Hochschuler. "NASS is doing a good job, but we continue to be a day late and a dollar short."

3. Surgeons must maintain their independence. Due to the rising costs and uncertainty of the future healthcare environment, many spine surgeons are beginning to sell their practices and become employed by hospitals. Hospitals are willing buyers because they want to control as much of the market share as possible, but this could come at a cost for surgeons and their patients. Hospital-employed spine surgeons must comply with hospital rules and may face a decreasing salary when their contracts come up for renewal.

"Physicians are afraid if they don't sell their practices, they will be left out in the dark," says Dr. Hochschuler. "They have chosen to sell their practice instead of joining together with patients and contracting for care."

In the past, Dr. Hochschuler says many spine surgeons were entrepreneurially-minded and preferred to operate their own practice so they could make decisions about care. Now, he says some surgeons are more interested in securing fewer practice hours and better benefits and vacation time.

4. Perform more surgery outpatient. When surgeons began seeing reimbursement decreases two decades ago, they began looking for other sources of income. This includes ancillary revenue from services such as diagnostic imaging or physical therapy as well as physician-owned hospitals. Healthcare reform has now eliminated the physician-owned hospital option from any institution not already in service, so more surgeons may choose to become involved with ambulatory surgery centers in the future.

"Surgeons will look at surgery centers as ancillary revenue and doing more procedures outpatient," says Dr. Hochschuler. "I don't have a problem with surgery centers as long as the procedure is safe for the patient."
Recent technological developments and minimally invasive surgical techniques have made it possible for several specialists, including spine surgeons, to perform their cases in ASCs. The potential for increased efficiency and capturing more income from the surgeries could make surgery centers an attractive option for spine surgeons in the future.

5. Equalize money made on spine cases. When Dr. Hochschuler was president of the ISASS, he analyzed where the money was going for spine cases. Over the past 10-15 years, he found spine surgeon income decreased 30 percent while the hospital's portion increased by 18 percent and the implant companies' portion increased by 155 percent. He presented these findings to other spine surgeons, but the country at large has yet to fully understand this data.

"The country sees surgeons as the reason for increased healthcare costs," says Dr. Hochschuler. "There have been unnecessary attacks on performing spine surgery. The vast majority of spine surgeons don't perform unnecessary procedures, but the ones who do are publicized in the media."

Without a focus on increasing spine surgeon income, Dr. Hochschuler says the country will find there are fewer people willing to train in the specialty. The potential physician shortage could mean physicians' assistants and nurse clinicians will play a bigger role in healthcare delivery.

"When I went into medical school, all the people at the top of their classes went there," says Dr. Hochschuler. "Now, the population is different because the people who really have brains are going into investment banking or working on Wall Street. The incentives are written on the wall; unless you really love taking care of patients, it doesn't make economic sense to go into medicine."

6. Settle on a fix for Medicare rates. Our current sustainable growth rate formula — the equation used to determine reimbursement rates for Medicare patients — is a point of high contention in both the political and healthcare worlds. Medicare reimbursement rates have been steadily declining over the past two decades and could see another 27.5 percent decrease in March, if the current fix isn't extended. Spine surgeons can't maintain a profitable practice by treating a large number of Medicare patients, and some are beginning to limit their practices.

"Surgeons are on the fence not knowing how things are going to go," says Dr. Hochschuler. "Already, many surgeons aren't seeing Medicare patients any more. However, we might be forced to see these patients by government mandate despite losing money with each case."

7. Further integration between information technology and medicine. Information technology is an exploding field and has several potential benefits in healthcare. For example, surgeons can use telemedicine to monitor patients from a distance, which improves efficiency and decreases costs associated with traveling to the physicians' office.

"I think the next big thing in the venture world is marrying IT with medicine," says Dr. Hochschuler. "It's already occurring, but it will happen more and more in the future."

From a wellness standpoint, companies such as Nike and Jawbone have been on the cutting edge of this combination with the development of wristbands to measure personal health. The bands record how much a person walks, quality of sleep and caloric intake. "This is cheap technology being used for healthcare," says Dr. Hochschuler. "This whole arena excites me."

8. Bring medical tourism back home. In other parts of the world, physicians and hospitals have captured a growing market for medical tourism — patients who are willing to pay out-of-pocket for elite care and concierge medicine. In some cases, patients pay large amounts for a surgical procedure in foreign countries and recovery time in a secluded area. From Dr. Hochschuler's point of view, there isn't any reason why American physicians and providers can't capture some of those patients back and attract other patients from around the world.

"I think physicians are looking at medical tourism as a separate arena," he says. "Medical students still want to come here and train because our medical knowledge is superior. There is no reason why patients shouldn't want to come here as well."

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