



ValidationInstitute

2021 Validation Report

Review for: Crovetti Orthopaedics

Validation Achieved: Level 1 - Savings

Valid through: October 2022



Company Profile

Category: Musculoskeletal Management

Website: <https://crovettiortho.com/>

Year Established: 2001

CEO: Mike Crovetti Jr, DO

Company contact: 702-990-2290

Description:

Crovetti Orthopaedics and Sports Medicine (COSM) has been providing orthopedic care in the Las Vegas valley for more than 20 years. Its Founder, **Dr. Mike Crovetti** is a Board-Certified Orthopedic Surgeon and treats orthopedic problems in the hip, knee and shoulder.





Claim Assertion for Validation

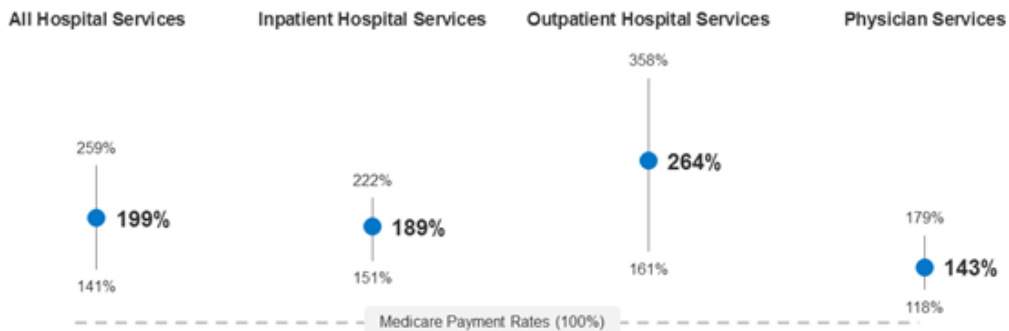
Crovetti Orthopaedics hip or knee replacement patients have fewer hospital admissions (hospital care after surgery) than patients receiving the same services at hospitals. In addition, Crovetti bundles its services to include pre- and post-op care; its price for the service package is 62% to 110% of Medicare’s Comprehensive Joint Replacement Average Standard Target Price (excellent, good, and acceptable quality) bundled payment for major joint replacement with complications or without complications.

On average employers pay 143% to 264% of Medicare rates for medical services. (Lopez, Neuman, Jacobson, & Levitt, 2020) Thus, for the majority of employers, Crovetti’s prices are lower than what they are otherwise paying.

ES Figure 1

Private Payment Rates Are Higher Than Medicare Rates for Hospital and Physician Services

● Average Private Insurance Rates as a Percentage of Medicare Rates, Across Studies Using 2010-2017 Data



SOURCE: KFF analysis of 19 published studies comparing private insurance and Medicare payments to providers. Because some studies analyze payments to providers in multiple service categories, the number of studies across all categories is greater than 19.



Method / Calculation / Examples

Crovetti's rate of hospital readmission was calculated by counting knee and hip patients (separately), and then counting the number of patients who had a hospital admission for a condition/complication related to the surgery within 90 days post-discharge. The rate's numerator is the number of patients with admissions; the denominator is the total count of patients.

Crovetti's hospital readmission rate was then compared to Ambulatory Surgery Center and Hospital Inpatient rates from published literature (Carey & al, 2020). The 90-day readmission rate is bellwether quality indicator because adverse outcomes—such as infection, persistent pain, blood clots, and loosening—generally require a readmission.

Crovetti's bundle of services was compared to Medicare's Comprehensive Joint Replacement (CJR) service bundle (Innovation Models - Comprehensive Joint Replacement, 2019). After determining that the services matched, Crovetti's published rate for knee and hip replacement services was compared to Medicare's 2019 Comprehensive Joint Replacement (CJR) bundle rates (Innovation Models - Comprehensive Joint Replacement, 2019). Medicare's CJR has multiple rates for each surgery depending upon the provider's quality and other factors; therefore, an average of the Standard Target Price for excellent, good, and acceptable quality rates was used.

Findings & Validation

Crovetti Orthopedics performed 2,310 knee replacement surgeries, of which 22 required a hospital readmission within 90 days for an illness or complication related to the surgery. This creates a readmission rate of 0.95%. From the literature, the rate of hospital readmissions for knee replacement patients who had their surgery in a hospital was 9.87%; the rate for patients who used an ambulatory surgery center (ASC) was 3.15%. The hospital readmission rate for ASC knee replacement patients was three times Crovetti’s rate, and for patients at hospitals, nearly 10 times Crovetti’s rate.

Crovetti had 1,254 hip replacement surgeries, of which 17 patients had a hospital readmission within 90 days. The rate was 1.36%. From the literature, the rate of hospital readmission for hip replacement patients who received their surgery in a hospital was 7.69%; for patients in an ASC, the rate was 1.61%. Hospital readmission rates for ambulatory surgery center hip replacement patients was 16% higher than Crovetti’s; and for patients at hospitals, more than 5 times higher than Crovetti’s rate.

See Table below for a summary of Crovetti’s prices compared to Medicare’s Standard Target Price average for 2019.

	Crovetti price	Medicare Standard Target Price Average 2019		Crovetti as % of Medicare	
		Without complications	With complications	W/out complications	With complications
Total Knee Arthroplasty	\$21,000	\$20,380	\$33,625	103%	62%
Total Hip Arthroplasty	\$22,500			110%	67%

Limitations

This analysis did not measure Crovetti patients' characteristics, which may make them less (or more) likely to have a hospital readmission than a typical patient.

Work Cited

Carey, K., & al, e. (2020). Patient Outcomes Following Total Joint Replacement Surgery: A Comparison of Hospitals and Ambulatory Surgery Centers. *J Arthroplasty*, 7 - 11.

Innovation Models - Comprehensive Joint Replacement. (2019). Retrieved from Center for Medicare and Medicaid Services:

<https://innovation.cms.gov/media/document/cjr-regional-target-prices-06-2021>

Innovation Models - Comprehensive Joint Replacement. (2019). Retrieved from Center for Medicare and Medicaid Services: <https://innovation.cms.gov/innovation-models/cjr>

Lopez, E., Neuman, T., Jacobson, G., & Levitt, L. (2020). How Much More Than Medicare Do Private Insurers Pay? A Review of the Literature. Kaiser Family Foundation Issue Brief .



Validation and Credibility Guarantee

Crovetti Orthopedics' Knee and Hip Replacement Services achieved Level 1 validation for Savings. Validation Institute is willing to provide up to a \$25,000 guarantee as part of their Credibility Guarantee Program. To learn more, visit <https://validationinstitute.com/credibility-guarantee/>.

Level 1 – Savings

Can reduce health care spending per case/participant or for the plan/purchaser overall.

Level 2 – Outcomes

Product/solution has measurably moved the needle on an outcome (risk, hba1c, events, employee retention, etc.) of importance.

Level 3 – Metrics

Credible sources and valid assumptions create a reasonable estimate of a program's impact.

Level 4 - Contractual Integrity

No outcomes or savings has been shown, but vendor is willing to put a part of their fees "at risk" as a guarantee.





Validation Expiration: October 2022

CERTIFICATE OF VALIDATION

Applicant: **Crovetti Orthopedics**
2779 W Horizon Ridge Pkwy #200, Henderson, NV
89052

Product: Knee and Hip Replacement Services

Claim: Crovetti Orthopedics hip or knee replacement patients have fewer hospital admissions (hospital care after surgery) than patients receiving the same services at hospitals. Crovetti's bundled price is 62% to 110% of Medicare's Standard Target Price (2019), which for some employers will be lower than their negotiated price.

Validation Achieved: **Level 1 - Validated for Savings**

Validation Award Date: October 2021

Linda K. Riddell, MS
VP, Population Health Scientist
Validation Institute

Benny DiCecca
Chief Executive Officer
Validation Institute





About Validation Institute

Validation Institute is a professional community that advocates for organizations and approaches that deliver better health value - stronger health outcomes at lower cost. We connect, train, and certify health care purchasers, and we validate and connect providers delivering superior results. Founded in 2014, the mission of the organization has consistently been to help provide transparency to buyers of health care.

