



ValidationInstitute

2022 Validation Report

Review for: Regenexx

Validation Achieved: Level 1 - Savings

Valid through: January 2023



Company Profile



Category:	Musculoskeletal Management
Website:	https://regenexxcorporate.com/
Public or Private:	Private
Year Established:	2005
CEO:	Wayne Schellhammer
Company contact:	844-992-3111

Description:

Regenexx is a network of physician experts. We pioneered the use of orthopedic bone marrow concentrate to treat common orthopedic conditions to help people avoid surgery using cells from their own body.

Regenexx is the world leader in research published on the use of bone marrow concentrate for orthopedic conditions, and we created the field of interventional orthopedic protocols, the use of your body's natural healing abilities to repair orthopedic injuries non-surgically. Our approach is rooted in our research and is constantly being refined and developed as we continue to lead the way in finding better methods for harnessing your body's own healing agents to repair damaged tissue. Our proprietary protocol leads to arguably the world's most advanced platform for in-office interventional orthopedics. **Regenexx** created a program for self-funded employers to help manage orthopedic costs by replacing many common elective orthopedic surgeries with precise image guided injections. **Regenexx** can reduce the cost of individual surgeries by up to 70%.

Learn more about **Regenexx** how they help employers take control of their health care spend. Visit www.Regenexxcorporate.com for more information.





Claim Assertion for Validation

Patients who use Regenexx services to treat joint problems have lower costs than patients having orthopedic surgery.





Method / Calculation / Examples

From an employer group covering 77,000 people, 126 people chose Regenexx during the 12 months ending October 1, 2021. The total cost added the Regenexx fees plus the estimated cost of patients who need additional care after their procedure fails. This total was compared to the Healthcare Blue Book Fair Market Value for Denver, Colorado of surgeries that these patients might have had.

Failures were assumed to have occurred in patients based upon their Single Assessment Numeric Evaluation (SANE) score. One-third of patients whose scores were between 21 and 50, and two-thirds of those with scores lower than 20 were assumed to have failed. For each failed patient, the Health Care Blue Book Fair Market value of surgery was applied.





Findings & Validation

Table 1 summarizes the patients' costs for Regenexx procedures.

	Number of Patients	Regenexx procedures cost
Hips	7	\$44,770
Spine	36	\$304,876
Knees	41	\$354,798
Lower extremity	12	\$75,595
Upper extremity	30	\$145,766
Total	126	\$925,806

Table 1: Regenexx patients' costs

Table 2 shows the Health Care Blue Book Fair Market Cost of surgery for patients whose procedures failed, using the patients' SANE score as an indicator for the need for follow up surgery.

	Regenexx Procedure Cost	Failure Rate	Cost of Failure^
>50 SANE Score	\$658,018	0	
20-50	\$86,738	33%	\$113,898
<20	\$181,050	66%	\$332,430
Total	\$925,806		\$446,328

Table 2: Estimated costs for failures



Findings & Validation

Table 3 summarizes the cost estimate if the 126 patients had orthopedic surgery and paid the Health Care Blue Book Fair Market cost.

	HCBB Fair Market Cost
Hips	\$92,417
Spine	\$1,036,322
Knees	\$1,126,559
Lower extremity	\$97,435
Upper extremity	\$333,172
Total	\$2,685,905

Table 3: Estimated surgery costs for Regenexx patients

In total, the plan is estimated to have paid \$1,372,134 (Regenexx costs plus estimated failure costs) for the 126 patients who used Regenexx. This is \$1,313,771 less than the 126 patients might have cost if they had had orthopedic surgery at fair market cost.



Limitations

The analysis does not address whether the frequency of surgeries changed in the group offered Regenexx services. If the frequency of surgeries was unchanged, then Regenexx patients were not diverted from surgery and these costs, while lower than surgery, would not reduce the plan's total outlay.





Validation and Credibility Guarantee

Regenexx's 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

Vendor is willing to put a part of their fees "at risk" as a guarantee.





Validation Expiration: January 2023

CERTIFICATE OF VALIDATION

Applicant: **Regenexx**
6151 Thornton Avenue, Suite 400
Des Moines, IA 50321

Product: Regenexx's services

Claim: Patients who use Regenexx services to treat joint problems have lower costs than patients having orthopedic surgery.

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

Award Date: April 2022

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.

Validation Review Process

Validation Institute has a team of epidemiologists and statisticians who review each program. The team focuses on three components:

- Evidence from published literature that a similar intervention had similar results.
- The reliability and credibility of the data sources.
- The rigor of the approach to calculating results.

To achieve validation, the program has to satisfy each of these components. VI's team then summarizes the review into a report which is publicly available. Details of VI's review are available with the program's permission.