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Thanks for listening. Now here's the episode. This is Alan Condon with the Becker's ASC podcast, and I'm thrilled to be joined today by to doctor James Chappius, founder and CEO of Spine Center Atlanta.

Jim, before we dive into our discussion today. I'd love to turn the floor over to you to hear a little bit about your role, your background, and of course, hear a little bit more about Spine Center Atlanta.

To Yes. Thank you, Alan. I'm an orthopedic spine surgeon. I did my orthopedic training at the Campbell Clinic University of Tennessee in Memphis, and then I did a spine fellowship with professor Juergen Harms, in Germany.

I started to our practice. About 32 years ago, I was in a a big multispecialty group, and I felt like I wanted to focus more on adult spinal disorders.

So we started about 30 years ago. We're a multidisciplinary, spine practice. We have our own surgery center, MRI, PT rehab. And so far, we've stayed independent.

Our practice is primarily based in Atlanta. We have satellites throughout Atlanta to And, 3 others in the state of Georgia. Fantastic. Thank you so much for, hearing a little bit more about your background.

Of course, the center Atlanta Gym. And, so so to kick things off and get our conversation going, I'd love to hear the top to the 3 trends that you're really focused on when it comes to health care and specifically in the ASC sector.

What are you most paying attention to? Well, I think there's a a number of things. I'm excited to see the, number of procedures moving from hospitals to ASC to the And the higher acuity of procedures that are being done in ASCs.

Specifically for me as a spine surgeon, to A number of the procedures we're doing outpatient anterior lumbar interbody fusions.

We keep them for 23 hours. We're doing instrumented fusions. So many of these procedures, 15, 10 years ago, we would keep in the hospital, for 5 to 7 days, And now we're able to do these, in an outpatient setting.

And it seems that in all subspecialties, to There's a trend of moving more towards an outpatient setting, than than hospitals.

So that's one thing I'm watching and kind of excited to see it happening. I think the big thing that we're all looking at is generative AI. How how can we best utilize this, in our practices to make it more efficient.

So I'm learning what I can about that and, really feel within the next few months, we're We're probably gonna try to adopt some of this, into, our our health care and our procedures to become more efficient.

To Got it. So, obviously, really, like you've mentioned, we're seeing for the last you know, it's been happening steadily over the last years.

We really seems to be picking up steam in that that trend that you'd obviously mentioned in terms of a lot more of these spine surgeries, particularly complex to spine surgery as well.

Yes. Moving away from hospital to the ASP setting. And specifically with relation to complex spine surgery, can you give us a little bit of insight into how you see that evolving in the coming years?

Yeah. One of the things that's exciting, you know, I was at a hospital for a number of years, and The problem I had with complex spine surgery was I never knew who my scrub tech was gonna be.

And at the hospital I was at, they felt that all scrub techs should be able to scrub with any case.

Well, we know that's not true. To I mean, if you're doing a subspecialty type case, I want a subspecialty type team. So now in in our surgery center, I've got the same scrub tech every time. I've got the 1st assist every time.

We've got the same instrumentation every time. To So I guess just like anything, the more of that you have, the more likely you're gonna be able to come up with greater better outcomes and minimize your complications.

To So I think that is a big factor for us as far as doing more complex procedures. To Further, I think the infection rates are much, much less in an outpatient setting than hospitals.

So a lot of these complex procedures, Can especially in elderly patients could have a greater tendency for infections post op, And I think we're able to minimize, that without patient, with surgery centers.

The Absolutely. Jim, it's something that I believe you told, my Becker's team in a recent interview.

I thought it was really fascinating and an interesting perspective. It was in relation to an interview around consumerism. I believe that you told our team that you wanted your practice to be the Neiman Marcus of spine practices.

I thought this was a really interesting take, and I was just wondering if you could kind of expand on that and kind of give us a bit more insight behind your strategy and thinking there.

To Yeah. Thanks, Alan. Well, you know, I I thought about that one day when I was shopping in a Neiman Marcus store, and I The service was incredible.

The products were great. A little more expensive than I wanted to pay, but it was very to nice experience. So I I have a place in Hollywood in South Florida, and I have some friends down there that are extremely wealthy people.

And they can choose or go anywhere they want for their health care, so they started telling me about their journey in picking to the doctor or surgery center they're going to.

And a light sort of went off for me. I thought, wait a minute. You know, there are a number of the patients who can really choose anywhere they wanna go.

But, you know, how how do we attract that type of patient to our facility? And I thought, well, we we've got to have good reviews. We've got to have good care. We've gotta have a good staff, but also all the small things.

Like, instance, we have during surgery, we have 1 person whose sole job is to make sure they communicate with families. If they're from out of town, they facilitate hotels, they make sure the families have had things to eat.

So to And the patients really like that, and and that's when I started thinking to myself with what's going on with mergers and acquisitions today.

To We're, I mean, what does corporate America do well? Good. What do they what do they reproduce well? Good. But greatness tends to, to be spun out in a lot of corporate environments.

So I think it gives smaller independent practices like us, if we can develop that, to an opportunity to offer patients something maybe a little different. I'm not gonna say better.

There's so many good surgeons in so many settings. But just having this opportunity to give personal care not just to the patient but also to their families. To Yeah. And it's a really interesting perspective there.

And I guess as we see patients really continue to shop around, I guess, more and more for that care, strategy and thinking like that will become even more essential to those independent practices like yourself.

Yeah. Well, thank you. I mean, as Americans, we're great shoppers. With the Internet, you were very good at choosing the best washer, choosing the best car.

Well, why shouldn't they the same consumerism apply to health care? To I think it does. Mhmm. Yeah. Fascinating. Jim, we we touched on a little bit at the top of the conversation in terms of the Trends you're following in health.

Garvin, you talked a little bit about consumers and their new strategy. But is there anything that you're particularly excited excited about in the in the spine or AC world, the from a techno technology standpoint, processes, surgery.

What what would you like to tell our audience today? Yeah. I think there's so many exciting, things happening, in in spine care.

Again, one we talked about earlier was this ability to do more to Acute complex cases in an outpatient environment. I think there's this whole generative AI piece is very exciting as to how we're gonna maximize its use in spine surgery.

We're working on a couple of devices, one that we're to About to present to the FDA for approval, that we've been working on for 7 years.

It's a type of a shield that goes inside of the pedicle, so we're, to I think the other thing that I'm really excited about is we've been in a box for so many years as physicians, and by as far as reimbursement's concerned.

By that, I mean, Is it Medicare? Is it private insurance? And that's all we've ever thought of.

There are so many other avenues now. To There's many, many thousands of patients that need orthopedic and spine care. So many of them don't have insurance. So many of them are not on Medicare, but they still need our services.

So it's exciting to me on how do we connect with that patient, and then how can we help them to finance this so that it makes sense for us and it makes sense for them.

Yeah. I mean, really interesting. I guess, To your point, there are so many spine surgery patients without that Medicaid, Medicare.

Can you give us a bit more, insight into into who you're approaching those conversations with to with that patient population and how you see that progressing in the coming months.

Yeah. Thanks. Well, we I've seen so many patients that will come in, and they'll pay for a consultation.

They don't have health insurance, and they're working. And so they've got a surgical problem, and I'll kinda talk to them and to Ask them, you know, well, were you are you into well, I'd like to, but I I really can't afford this.

I don't have insurance. So I started talking to my COO one day, and I said, you know, so many of these people are willing to pay. They just can't pay the entire amount upfront.

Well, is there a way that we could possibly finance some of these, procedures to where a patient can get what they need, but In an alternative sort of fashion as far as how payment's concerned.

Mhmm. Gotcha. Yeah. I mean, it's fascinating to really hear your perspective in terms of how you're really capitalizing on some of these trends.

Obviously, no doubt there'll be a when we consider America's aging elderly population over the next to decade or or 15 years or so.

Now thinking further down the line, there will be a lot more total knee replacement, hip replacement, spine surgeries that will undoubtedly need to be performed.

And to Certainly an interesting trend to keep an eye on as well down the line. Jim, the last question I have, Siya, I wanna go back to Spine Center Atlanta.

To Fantastic practice that you've managed to build from the ground up there over the years. I'd love to hear a little bit more about Where are you thinking about growth over the next year or so, in relation to your practice?

Yeah. That's a really good question. There's a number of areas that I think are very, that we're looking at that we think could be potential for growth.

1 is failed spine surgery. There's a number of patients who have had surgery. They're still having pain. They're still having problems. It's not necessarily a problem with the index surgeon.

Just for whatever reason the patient's still having problems. So I think that's an area that we're gonna see more and more, to growth on because these patients are looking for someone to, have a second look.

I think that's exciting. I think the whole field of, lean personal injury type, procedures are becoming more and more interesting.

In the past, most of us really didn't do much of that at all. I think now we're all starting to look around saying, well, Maybe we should learn a little bit more about this.

How does this work? So we're studying that whole area to to see how, we can plug that in to, to what we're doing. Another area that I think is very exciting to is called employer directed health care.

And these are basically companies that are hired by self insured big companies such as Home Depot that go out and buy given procedures from us that these big companies know. Well, let's see. We paid for to A 1,000 total hips last year.

So let's buy a 1,000 total hips from a provider. They mark it up some, to And now this is another book of business that's starting to develop. Yeah. I think that especially in relation to that direct to employer relationship as well.

I think that's something that When you think about growth in the ASC space in particular and those high quality centers like yourself, I think that could be an area that a lot of spine practice or competing practice know that we'll be looking at, In terms of, like you said, another another business model, another ancillary revenue stream to come right in the door.

Question I have for you before we wrap up. I know you've mentioned, obviously, you've managed to you started your practice from the ground up. You've you're completely independent. To Amazing job that you've done there.

I'm I'm curious. We're hearing a lot about, obviously, the consolidation, m and a really starting to pick back up to the team after we're gaining a little bit of momentum after the years in the past in terms of the pandemic.

To We're hearing how difficult it is for physician practices, ASCs, to really maintain that that autonomy, that a 100% physician ownership. I'm curious to hear.

Is that something a goal for you to maintain that level of autonomy, that position, the independence that you've that you've had all over these years, especially when we think about How are you looking at that, in the future?

That's a great question. I think about it almost every day. I realize I think the numbers, you probably know better than me, but 70 Well, about 30% of us, 25 to 30%, are still independent.

But I realized that we we may have to, you know, look at to look at some other way to, merge and connect. So I'm actually kind of exploring what different options we might have.

And I think if you ask any to the surgeon or doctor. We all wanna remain independent, but the reality is we're gonna have to probably come together in some fashion. So, it's a great question, Alan. I think about it every day.

That was one of the things when I came to the recent Becker's meeting, to I talked to some private equity people, and, you know, I'm just looking at what options are available for us to maintain, to A sense of independence.

So but you're absolutely right.

This merger and acquisition time is becoming more and more relevant. So I'm not sure where we'll end up, but I do realize we'll probably have to, in some way, to coalesce with, some type of a business model.

And right now, I'm open to, discussing this and seeing what may fit for us. Absolutely. Yeah. Certainly, interesting trend that we're seeing across the healthcare space.

So maybe next time we have you on the podcast or we cover you in an interview on Becker's, we might have an updated information around to the Jim, it's it's been a real pleasure speaking with you today.

Again, fantastic with everything that you've managed to achieve and what you're and what you're already looking to do more in terms of the Center Atlanta.

And, I look forward to connecting with you again down the line. Thank you so much. Yeah.

Thank you so much. It's nice to put a name with, to with some emails and trends, and I appreciate being involved with Becker's. It's so important for leaders at the top of organizations to keep learning, stay sharp, grow their networks.

To help our audience better do this in a more simplified, personalized, and meaningful way, Becker's Healthcare has launched MyBHC.

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