2019 General Surgery Service Line Outlook

What will drive (or slow) general surgery services growth in the future? Here’s our general surgery services team’s take. Note: growth graphs reflect “general surgery” service line projections; the rationale summarizes Advisory Board Research’s take on the drivers impacting general surgery, trauma, transplant, urology, and gastroenterology.

**Inpatient Growth 2018 – 2023**

- Population growth/shift and disease prevalence
  - Growth in midlife and elderly populations requiring complex medical and surgical care
  - Increasing rates of chronic illnesses (over 600K people in the US are living with cirrhosis\(^1\))
  - Growth in disease incidence, risk factors (in 2015, 30M Americans had diabetes\(^2\); between 2015 and 2016, almost 40% of adult Americans were obese\(^3\))

- Technology adoption
  - Outpatient bariatrics growth may decrease inpatient volumes
  - Continued adoption of minimally invasive techniques may cause outpatient growth

- Insurance changes
  - Limited coverage for prostate cancer screenings may exist as PSA tests were given a grade level C for men aged 55-69 by the USPSTF\(^4\)

- Care management
  - Enhanced recovery after surgery (ERAS) protocols decrease length of stay, readmissions
  - Planned preventive care will result in improved utilization of colorectal cancer screening services, as ACS guidelines now suggest screenings start at age 45\(^5\)
  - Healthy lifestyle initiatives temper growth in obesity, diabetes
  - Increased focus on patient education, coordinated wound care helps patients adhere to care plans and reduces readmissions
  - Digital health monitoring and virtual visits, such as telebariatrics, may replace some in-person pre-surgical care and follow-up

**Outpatient Growth 2018 – 2023**

- Population growth/shift and disease prevalence
- Technology adoption
- Insurance changes
- Care management
- Total growth

Note: growth graphs reflect “general surgery” service line projections; the rationale summarizes Advisory Board Research’s take on the drivers impacting general surgery, trauma, transplant, urology, and gastroenterology.
2019 General Surgery Services Strategic Imperatives

Where should general surgery service lines focus their growth efforts this year? Here are the three things our general surgery research team says you need to get right.

1. Manage costs with mindful decision making

Regardless of site of care, general surgery service line leaders should focus on cost containment. Since ASCs typically receive lower reimbursement than HOPDs, ASC leaders will need to focus on throughput efficiency and lowering costs to stay sustainable. Conversely, hospital leaders will need to focus on managing costs to keep prices down for their patients and remain competitive.

To educate physicians on per-case instrumentation costs, use tools like published surgeon cost report cards. Beyond individual surgeons, standardize care pathways by sharing outcomes and cost data with all relevant providers. And finally, carefully evaluate the need for big-ticket items such as hyperbaric oxygen therapy chambers and da Vinci surgical robots. Instead, consider leveraging non-traditional technologies like virtual health to try and contain costs for services like procedure follow-up.

2. Retain self-referred care by appealing to patient preferences

Appealing to patients requires an understanding of various patient groups’ differing preferences. For example, according to Advisory Board research on health care preferences by age, millennial patients are the most willing to travel for care. They place a premium on perceived quality, and therefore will consult resources like a Top Docs list. They also take a referral and hospital affiliation into account when making decisions about surgery. On the other hand, people aged 50-64 are typically the most cost-conscious age group, caring about prices more than perceived quality or hospital affiliation. Consider price transparency tactics like publishing your organization’s prices – as well as your competitors’ – on your website to better target patients who factor price heavily into their decision making for surgical care.

Additionally, streamline access by offering telehealth applications for procedures with significant pre-operative requirements like bariatrics care. According to an Advisory Board research study on specialty virtual visits, almost 74% of respondents said they would consider a virtual visit for a pre-surgery appointment. Because of the willingness of consumers to try virtual care, telehealth can further appeal to certain patient preferences.

3. Optimize outpatient processes, coordination to compete with ASCs

The outpatient department is where hospitals have the most chance to compete against the growing pool of ASCs. In order to do this, try to streamline care coordination as much as possible for patients moving from the inpatient to the outpatient setting. For example, outpatient wound care clinics are becoming increasingly popular. These clinics help manage chronic wounds, provide care for post-surgery wounds, and offer complex wound care services like hyperbaric oxygen therapy. Such programs create centralized patient follow-up to streamline follow-up for the patient after their care episode. This type of coordination helps patients better adhere to their personalized post-discharge care plan.

Optimize throughput further by evaluating strategies like offering open-access colonoscopies. These allow healthy patients to receive a colonoscopy without an initial office visit. This strategy can help compete with ASCs on process efficiencies, that would otherwise be hard to match in the hospital setting.

3) “Adult Obesity Facts” Available at: [https://www.cdc.gov/obesity/data/adult.html](https://www.cdc.gov/obesity/data/adult.html)
5) “Cancer Group Calls for Colorectal Cancer Screening Starting at Age 45,” New York Times
6) Ambulatory surgery center
7) Hospital-based outpatient department