Dollars And Sense

Mike Schmidt

It's no secret cost is often the deciding factor for hospitals when it comes to a purchasing decision.

This is true whether the proposed purchase is for a standard item, such as surgical gloves, or a new, innovative technological solution like an OR monitoring system. It's certainly the case when it comes to a new product offering meant for minimally-invasive surgery.

However, hospitals would be wise to look at the bigger picture. Cost should play a role in the purchasing decision related to minimally-invasive procedures, but there are other critical factors as well. Does the product have a specific application? Will the purchase of this product lead to improved surgical outcomes? Will buying this tool or device lead to future cost savings for the hospital?

All too often, however, the decision is made based on little more than upfront cost.

“It’s really becoming a big issue,” says Richard Fleenor, President and CEO of Pare Surgical, a Colorado-based medical device company. “Hospitals are clamping down, and they really don’t want to see new products. They are really closing the door, so to speak, and not letting companies, especially smaller ones, introduce new products.”

Efforts to withstand investments in new medical devices and tools for minimally-invasive surgery does lead significant short-term savings, but the long-term effects of standing pat may lead to more costs incurred post discharge.

Those making the purchasing decisions should take great care to weigh the upfront cost of investment with possible costs that come about due to increased post-surgical complications and readmissions. Are the improved surgical outcomes worth it?

Cost isn't the only relevant factor, however. Hospitals need to determine if their staff can properly utilize the tools and technology.

"Basically it comes down to ease of use," says Fleenor. "It simply has to have a definite application toward a procedure."

For example, Pare Surgical offers a Quik-Stitch suturing system with a pre-tied knot instead of a five-millimeter form. However, Fleenor has found there’s been reluctance on the part of some hospitals and surgeons to embrace the system, as some doctors feel more comfortable tying their own knot. Others, however, prefer Pare Surgical’s system because they feel tying a knot this way can be done with more speed and ease.

So it's not just about embracing the next new innovative product on the market because there is potential for cost savings in the future. Simply stated, the product, the surgeon, and the surgical technique all have to work in concert with one another. Then, and only then, will hospitals see the value of their investments.

Companies like Pare Surgical will continue to try to develop new product offerings to assist surgeons with various MIS procedures. However, the responsibility is on the officials at hospitals and other medical facilities to take an active approach toward determining if improved medical outcomes and a long-term reduction in costs will result from an initial costly investment in MIS-related tools and technology.

This is not a question of dollars and cents. It's a question of dollars and sense.

And with a healthcare system that continues to ask hospitals and medical facilities to provide more value and improve efficiency, there's no real obvious answer.

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