

Suspected Deep Tissue Injury (sDTI)

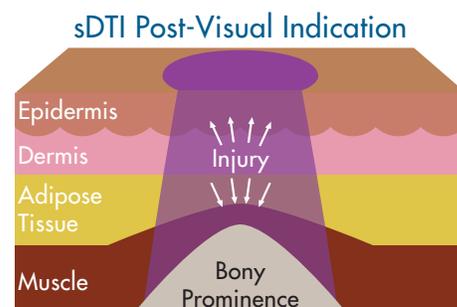
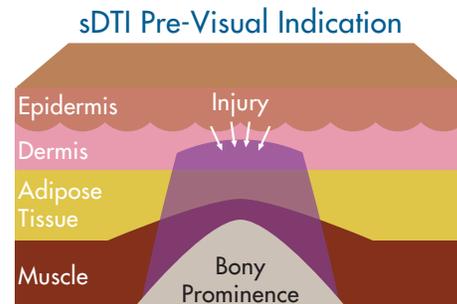
The Economic Burden

The Current Methods and Problems With Identifying sDTI:

You Can't Find What You Can't See

- The current gold standard is visual inspection of the skin in areas of high risk (e.g. bony prominences). This also includes manual palpation and assessment of pain.
- The injury occurs from the inside out, not the outside in.
- sDTIs often evolve rapidly and can progress to Unstageable, Stage III and Stage IV pressure ulcers even with optimal treatment.
- By the time sDTIs visually present themselves on the skin surface, necrosis may have already taken place.
- Visual inspection is widely regarded as:
 1. Subjective: More of a skill than a state of knowing
 2. Unreliable: Discoloration is more difficult to see in darker skin tones
 3. Ill-timed: With the ability to evolve rapidly, visual identification is often times too late
 4. Ineffective: Inability to visually identify damage to deeper tissues before it is seen on the skin surface

• **SUMMARY: Clinicians can no longer rely on visual inspection alone to aid in identifying sDTI.**



How Much Are Pressure Ulcers Costing Your Facility?

The Cost to Your Patients

- 2.5 million patients in the United States develop pressure ulcers annually.
- About 60,000 patients die as a direct result of a pressure ulcer each year.
- Pressure ulcers are often associated with severe pain.
- A high rate of depression due to feelings of shame and embarrassment are often associated with pressure ulcers.

The Cost to Your Bottom Line

Pressure ulcer development can lead to major financial problems for both hospitals and nursing homes. For hospitals, CMS has classified Stage III & IV pressure ulcers as a *PREVENTABLE* Hospital-Acquired Condition which is no longer reimbursed under current guidelines. As of October 2014, a quartile of hospitals with the highest HAPU rates will be penalized a reduction of 1% for ALL Medicare patients. As for nursing homes, there has never been a better time to improve pressure ulcer documentation with the added incentives set forth by F-Tag 314.

- Average Cost of Treating a Pressure Ulcer Regardless of Stage¹ \$10,700
Stage I - IV
- Average Cost Associated With Hospital Acquired Pressure Ulcers² \$43,180
Average
- Average Cost Associated With Stage IV Hospital Acquired Pressure Ulcers³ \$129,248
Per Admission
- Average Increase in Length of Stay Due to Pressure Ulcers^{4,5} 7.7 Days
\$1,760 Per Day
- Litigation Costs in Pressure Ulcer Malpractice Lawsuits^{6,7} \$250,000 - \$1,000,000
17,000 Lawsuits Annually

¹Society of Actuaries, 2010; ²AHRQ, 2011; ³Am J Surg. 2010 Oct; 200(4): 473-477; ⁴AHRQ H-CUP, December 2009; ⁵Becker's Hospital Review, 2010; ⁶Am Geriatr Soc Jan;2000 48(1):73-81.; ⁷J Am Geriatr Soc. 2005;53:1587-1592

A Brief Background

ABC Hospital had a rough year in 2014 with Hospital-Acquired Pressure Ulcers (HAPUs). HAPUs not only impacted the perception of their quality of patient care but it also negatively impacted their revenue. The impact was seen in their decreased reimbursement rates, lawsuit settlements and penalties for low performance metrics.

They tried everything from facility-wide pressure ulcer education to the implementation of a pressure ulcer prevention initiative, but nothing seemed to work. So, the questions remaining were:

1. Were these HAPUs occurring on their watch or were they a result of DTIs already present on admission?
2. If they were present on admission, how could they document what they couldn't see?

The solution? **The WoundVision Scout.**

ABC Hospital Assumptions

• Annual admissions	30,000
• Average cost per patient day	\$1,760
• Average length of stay (No PrUs)	4.8 Days

Adverse Event Assumptions

• Average cost for a HAPU	\$43,180
• Facility PrU prevalence rate	3.5%
• Increase in length of stay from PrUs	7.7 Days

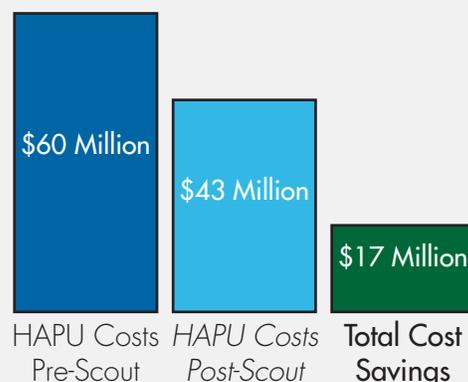
Without the Scout: Current Costs of a 3.5% HAPU Rate

• Number of annual HAPUs (30,000 annual admissions x 3.5% PrU prevalence rate)	1,050 HAPUs
• Non-reimbursable HAPU treatment costs (\$43,180 per HAPU x 1,050 HAPUs)	\$45,339,000
• Increased PrU patient days (Increase of 7.7 days per PrU x 1,050 HAPUs)	8,085 Days
• Cost of increased PrU patient days (Increase of 8,085 days x \$1,760 per patient day)	\$14,229,600
• Annual lawsuits relating to PrU	2 Lawsuits
• Average cost of PrU litigation settlements (2 lawsuits x \$250,000 per PrU lawsuit)	\$500,000
• TOTAL ANNUAL COSTS RELATING TO HAPUs	\$60,068,600

With the Scout: Cost Savings of a 1% Reduction in HAPU Rate

• Reduction in annual HAPUs (now 2.5%)	300 HAPUs
• Savings from reduction of non-reimbursable HAPUs	\$12,954,000
• Reduction in annual PrU patient days	5,775 Days
• Savings from reduction of PrU patient days	\$4,065,600
• Reduction in annual PrU lawsuits	1 Lawsuit
• Savings from reduction of PrU lawsuits	\$250,000
• TOTAL ANNUAL COSTS SAVINGS	\$17,269,600

Estimated Cost Savings



*The ROI calculation above is based on estimates relating to available hospital statistics. Cost savings provided by the Scout are based purely on estimates and could be higher or lower than the numbers shown above.