



Facility Claim Review

Implant Cost Review: Over \$100,000 Savings

Hospitals consistently mark up implant items 400-500% on average. They also do not inventory implants but rather order for each surgery as needed, which is commonly deemed as pass-through charges. Therefore, it is important to determine appropriate costs without an unjustified markup for implants in order to apply an accountable reimbursement.

For this claim, the procedure was a spinal fusion. Upon review of the claim, CERiS identified and disallowed extra items inappropriately billed, and applied its national implant database on the valid implants to find they had been marked up 350%. The client saved over \$26,000 by disallowing the extra screw sets and saved over \$86,000 by applying a cost plus method using CERiS' Implant Cost Database, which is comprised of manufacturers' implant invoices across the country.



Original Charges	\$187,000
Savings	(\$112,000)
Valid Payment	\$75,000

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