



Background

Five representative outpatient cardiology practices located in different geographic locations in the State of Texas using the Cardiac Insight Cardea SOLO™ System were reviewed for operational and financial performance. Individual organizational results were aggregated and annualized to assess the net financial impact of integrating Cardea SOLO all-inclusive long-term ambulatory ECG monitoring in-house, after eliminating all or most outsourced ECG services.

Methodology

The Cardiac Insight Market Access & Reimbursement team worked with consenting cardiology practice administrators to conduct claims analyses for the purposes of delivering individualized business performance reviews after five to twelve months of Cardea SOLO System practice adoption. Collected and analyzed data included the total number of submitted O295T global code claims, payer mix, any claims payment issues and total actual payments by insurers, using partial year actual payments to project annualized net gross profit margin as needed. Gross profit margin is defined as the acquisition cost (purchase price) of Cardea SOLO Sensors less practice collections from payers.

Individual Practice Descriptions and Financial Performance Results (Table 1.)

PRACTICE SITE	A	B	C	D	E
Geographic Region (TX)	South Coast Metro	DFW Metro	Panhandle Metro	Houston Metro	Houston Metro
Number of Providers	8	10	10	6	1
Months of Claims Data Available	9	12	12	5	8
Total Claims Submitted	102	436	804	196	152
Average Medicare Reimbursement per Claim	\$281.97	\$297.26	\$299.48	\$315.45	\$305.38
Average Commercial Reimbursement per Claim	\$229.51	\$230.49	\$263.62	\$272.06	\$260.42
Average Gross Profit per Claim	\$107.39	\$96.77	\$145.25	\$134.00	\$116.34
Total Annualized Gross Profit per Practice Location	\$10,953	\$42,192	\$116,781	\$63,034	\$26,525

Table 1. Annualized 2019 Business Summary Data for Five Cardiology Practices using the Cardea SOLO™ System



AGGREGATE KEY FINANCIAL RESULTS – Five Office-Based Cardiology Practices, State of Texas

AVERAGE MEDICARE PAYMENT (% of Claims)	AVERAGE COMMERCIAL PAYMENT (% of Claims)	AVERAGE CONTRIBUTION MARGIN PER CLAIM
\$299.91 (40%)	\$251.22 (60%)	\$119.95

LOW-HIGH MEDICARE PAYMENT VARIANCE BETWEEN PRACTICES	LOW-HIGH COMMERCIAL PAYMENT VARIANCE BETWEEN PRACTICES	OVERALL AVERAGE CLAIMS DENIAL RATE
12%	19 %	<1%

Summary and Key Takeaways

Integration of the Cardea SOLO™ Arrhythmia Analysis System in five Texas outpatient cardiology practices of varying size, volume, payer mix and geographic location yielded consistently positive financial impact across claims review periods ranging from five months to one year. Overall total 0295T claims denial rates in this analysis were < 1% across all five practices and all payers.

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