The Differential Impact of Plastic Surgery Subspecialties on the Financial Performance of an Academic Clinical Practice

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Abstract

Background: In an academic medical center, plastic surgery provides multiple distinct services, including aesthetic surgery and reconstruction for problems related to burn injury, cancer, trauma, and of a general nature. These services are often essential to a hospital, other surgical specialties, and/or a resident training program. However, it is unclear how different areas of plastic surgery might affect the financial growth and sustainability of an academic clinical practice over extended time periods.

Methods: All new patient consultations and surgical cases between 2004-2012 were reviewed. Conversion rates from consultation-to-surgery as well as relative value units were calculated. Professional and facility revenues, costs, and net income associated with clinical volume were ascertained from hospital billing records. These measures were compared between different plastic surgery subspecialties.

Results: A total of 12,020 new patient consultations and 5,741 surgical cases were reviewed. Total growth in consultations was greatest for breast reconstruction (+396.8%), followed by aesthetic (+83.8%), oncology (+12.9%), general (-16.9%), and burn/trauma (-75.0%). The conversion rate from consultation-to-surgery was highest in breast reconstruction (57.0±3.1%) and oncology (56.9±6.6%), followed by burn/trauma (47.0±6.8%), general (46.1±3.5%), and aesthetic (37.0±4.8%). Total growth in professional net income was greatest for breast reconstruction (+1,241.4%), followed by oncology (+378.4%), general (+159.7%), aesthetic (+130.5%), and burn/trauma (-20.9%). Total growth in facility net income was greatest for breast reconstruction (+7,619.5%), followed by oncology (+2,648.0%), aesthetic (+432.3%), general (+283.3%), and burn/trauma (+108.7%). Total growth in work RVUs was greatest for breast reconstruction (+570.1%), followed by oncologic reconstruction (+138.5%), general reconstruction (+13.2%), and aesthetic surgery (+4.0%). Work RVUs for burn/trauma-related plastic surgery experienced a net decline (-47.2%).

Conclusions: At our institution, breast reconstruction appears to confer a stable source of new patient volume that grows over time, compared to other areas of plastic surgery. Consultations for oncologic (including breast) reconstruction demonstrated the highest rate of conversion to surgery. The higher new patient volume and conversion rate to surgery associated with breast reconstruction resulted in relatively greater financial gains to both plastic surgery and the hospital. These findings may be of utility in the development of academic plastic surgery programs, and it may be prudent for individual centers to analyze their own practices in order to develop customized strategies for growth.

Disclosure/Financial Support: No funding was received for this work. None of the authors has a financial interest in any of the products, devices, or drugs mentioned in this manuscript.