Discover Cost Drivers in TEAM Surgeries

written by Theresa Hush | February 11, 2026

The CMS TEAM payment model focuses on the patient surgery and recovery process, which puts hospitals at risk for both cost and quality of surgeries. The end result of TEAM, if implemented well by hospitals and clinicians, is benefits for patients, with more coordination of services and fewer

complications. The American College of Surgeons supports the transition to episodic payments, a positive sign of support from physicians.

But the fact is that TEAM will require concerted effort to identify cost drivers in surgeries, and it is not a task that most hospitals and clinicians have done before. A patient recovering from a complicated surgery and a longer inpatient stay or later readmission will have a higher cost and more difficult recovery. So, too, will a patient who is admitted to a Skilled Nursing Facility. The only way for TEAM hospitals to succeed under this payment model is to ensure that patients avoid complications and other medical events during and after surgery that are costly or that might be harmful. First, they must find where these have occurred.

Download our new TIPS for TEAM to discover how you can find actionable episode data to define your TEAM strategies.

Developing cost strategies is a complicated process for hospitals that have previously looked primarily at operating costs or aggregate data. Here's why:

> To lower surgery costs, you must reveal factors that drive cost variation in each surgical episode (and with each surgical team) and then *develop processes to prevent or reduce those problems in the future.*
> Simplistic cost strategies do not provide you with solutions for improving care and lowering cost. These formulas include: (1) comparing aggregate case costs for each TEAM surgery or different surgeons; (2) benchmarking your

> hospital against peers; and (3) contrasting venue or type of service costs across cases. None of these techniques illuminate a path toward reducing costs while improving patient status on a scale that matters.

Episode analytics must dig into the cost variation in each episode and examine the key contributors to the cost or quality of recovery in that episode. These typically include patient risk, complications, surgical plan and components, anesthesia, medications, and all elements of the recovery phase.

Aggregating EHR and claims data enables you to discover that patients had incoming, untreated risks that led to complications, or that site infections were specific to certain surgeries or other factors. If only CMS claims data fuels your episodes, it is virtually impossible for your hospital and clinicians to evaluate the episode clinically as well as through a cost lens.

Good episode analytics depends on having the underlying data and episode design to do the job. Let us show you how Roji Episodes track both cost and quality in single episodes, part of a transformative learning process for your hospital and clinical teams.

Download your free 3 TIPS for Discovering Cost Drivers in TEAM Surgeries today.

Founded in 2002, Roji Health Intelligence guides health care systems, providers and patients on the path to better health through Solutions that help providers improve their value and

succeed in Risk.

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