

## 4 Observations on Orthopedic and Spine Devices and Equipment

By Stephanie Wasek  
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Here, John Cherf, MD, MPH, MBA, one of the nation's leading orthopedic surgeons, discusses his thoughts on purchasing orthopedic and spine devices and equipment in four areas.

**1. Total joints.** "Orthopedics companies have become very consolidated," says Dr. Cherf. "In terms of the joint replacement hip and knee business, three companies have 70 percent of the market share: Stryker, Zimmer and DePuy. Add two more companies — Biomet and Smith & Nephew — and you're at 95 percent. Total joints are historically perceived as commodity products; new technologies have been heavily promoted, such as alternative-bearing and resurfacing.

"But I think we're going to enter a new era in which providers really focus on usability and cost of service. And the reason is that there's no good data to differentiate these products."

The takeaway is that you should focus on ease of use, and get your physicians to agree, ideally, on one vendor whose product provides this, so the administrator can focus on keeping costs low.

**2. Sports medicine.** "On the sports medicine side, Arthrex is very innovative, and technology-driven, always pushing the envelope, and as a result dominates the space," says Dr. Cherf. "On the knee side, there's the all-inside arthroscopic technique with minimal incisions for ACL and PCL reconstruction. Arthrex also has some interesting shoulder technology: The TightRope, which was originally designed for ankle surgery, is an innovation for minimally invasive shoulder surgery."

**3. Spine.** "On the spine side, Medtronic has over 55 percent of market share, but this area is really the wild, wild west," says Dr. Cherf. "There's a lot of new technology, the long-term data is limited, and the utilization of procedures is growing extensively. The payors are likely to continue to examine these new technologies in terms of cost and utilization. Moving forward, I think MIS is kind of a mature sector, and we're going to see a lot of activity focusing on pain management and making patients comfortable as an adjunct to spine procedures."

**4. Biologics.** "I also think we're going to see increased activity on ortho-biologics and other

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methods for targeting disease earlier,” he says. “Even though there’s not a lot of data supporting it right now, biologics is the future, and that’s where we’re going to see the greatest dividends over the next decade.”

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