




19th Annual Becker's
Ambulatory Surgery Centers Conference
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GREAT SPECIALTIES: HOW TO PROFIT FROM ENT IN ASCs





Stephen E. Blake, JD, MBA, CPA
Central Park ENT & Surgery Center








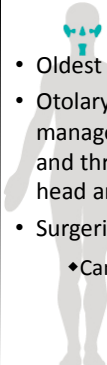
Presenter Stephen E. Blake



- 20+ years in Physician Practice Management
- JD, MBA, CPA
- Active in ASC Industry
 - Testified numerous times before the Texas Legislature
 - Past President, Vice President, and Executive Committee of the Texas ASC Society
 - Current Board Member of the Texas ASC Society
- Member of Congressman Joe Barton's Health Care Advisory Committee







Otolaryngology

(oh/toe/lair/in/goll/oh/jee)


- Oldest medical specialty in the United States
- Otolaryngologists (ENT Physicians) diagnose and manage diseases and disorders of the ear, nose, and throat (ENT) and related structures of the head and neck
- Surgeries include treatment for:
 - ♦Cancer♦Ears♦Sinuses♦Throat♦Nasal surgery
 - ♦Larynx (voice box) ♦Plastic surgery
 - ♦Reconstructive surgery



Why ENT?

Like any specialty choice . . . Make sure it is a good fit



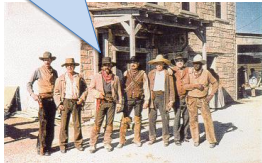



ENT in ASCs is a Growing Frontier

- Technology
- Drugs
- Techniques
- Knowledge

have all **improved** and evolved allowing for a **successful, profitable, effective and efficient** platform within the ASC setting

ENT can be a strong contributor to the bottom line in an ASC setting








Keys to Success & Profitability from ENT

1. Understand Basic Fundamentals of ENT Procedures

- Generally fast surgery
- Use minimal supplies
- Short recovery period
- Diverse patient population
- Reasonable reimbursement




OTOLARYNGOLOGY




Keys to Success & Profitability from ENT

2. Understand Business Fundamental

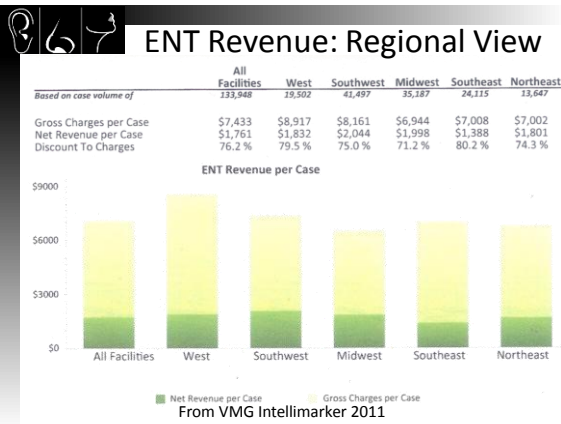
- Volume is important
- Contract negotiations are critical
- Capital requirement/needs can be reasonable
- Efficiency, quick turnover time is a must
- Staff qualifications and staffing needs are different
- Complex cases can be added at a cost

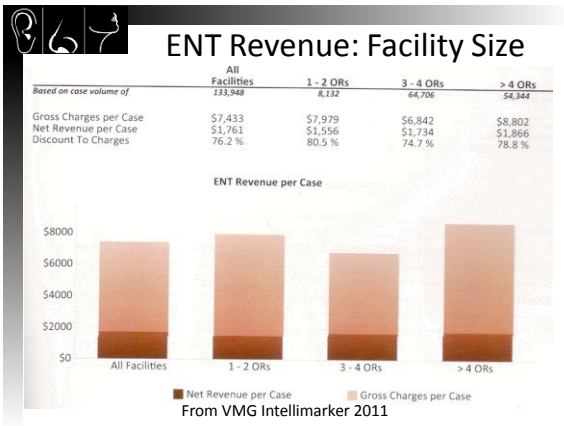


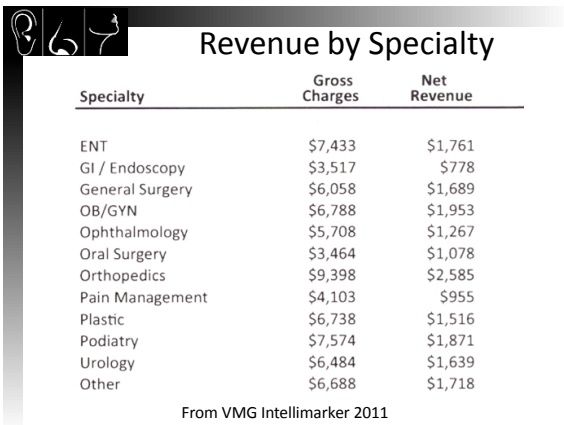


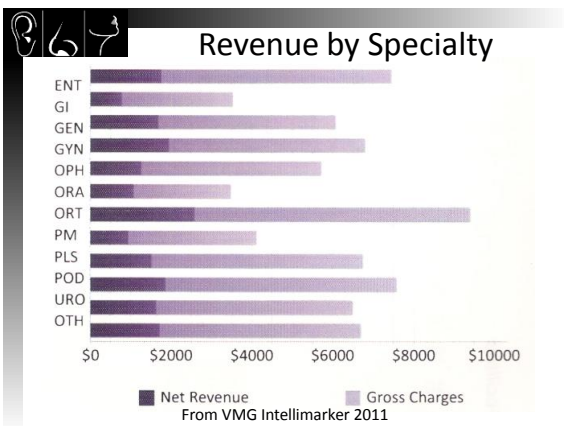
To Begin a Discussion on Profitability, Most Gravitate to the Revenue Side:

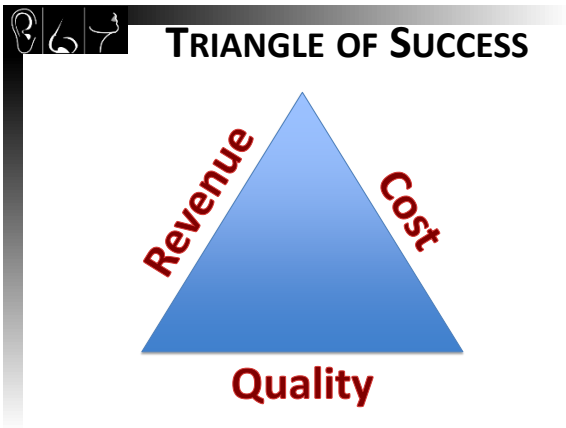
- Studies and results from VMG Intellimarker 2011
 - Multi-Specialty ASC Study
















Revenue Takeaways




- Reasonable reimbursement is possible
- Strong negotiation skills and good contracts are essential!
- Pediatrics carries some additional negotiating clout


- Focus on and understand profitable procedures
 - ENT: tubes, tonsils, and adenoids
 - Longer cases can be appropriately done in ASCs, just understand your reimbursement issues
- Ensure adequate volume (with proper payor-mix)




Cost Takeaways



- Capital requirements:
 - Rule of Thumb: **\$100,000 per ENT room**
but beware lots of toys out there!



- Image-guidance systems:
 - Can enable more complex sinus surgeries
 - Initial cost is generally +\$100,000 and many insurance companies refuse to pay ASCs for the technology
 - Standard of care may require image-guidance in the future for certain procedures



Cost Takeaways: Pediatrics



Pediatric Care is Different!




- Good news: kids recover quicker
- Bad news: kids crash faster
 - Closer, skilled nursing attention is required
 - Need dedicated nurse to each pediatric patient in recovery
 - Highly recommend PALS certification for nursing staff
 - Waiting room and recovery area requirements are greater




- Know, watch, analyze, and communicate costs with your surgeons
- Remember turnover times count
- Decreased turnover time mean greater efficiency, better physician satisfaction, and lower cost




Quality Takeaways



- ENT can bring a high volume opportunity to spread the good word about your ASCs commitment and delivery of quality
- Patient satisfaction is much higher in ASCs than in hospitals
- Infection rates are much lower in ASCs



In Conclusion





In Conclusion

- ENT is a natural fit for ASCs **Remember:**
 - Physician recruitment is straight forward:
 - lower cost to patients
 - faster turnover times
 - better patient satisfaction
 - lower infection rates
 - focused and competent staff
- Get adequate volume
 - Negotiate well
 - Watch costs
 - Create value
 - Be profitable!





Thank You



For More Information Please Visit:

<http://www.ascassociation.org>
<http://www.texasascociety.org>

Presenter Contact Information:
Stephen E. Blake, JD, MBA, CPA
(817) 261-9191
sblake@centralparkent.net
