



Performance, Efficiency, Achievement, Knowledge

### Operation Best Practices: "Small Efforts Can Equal Big Rewards"

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### Create a Culture of Savings

- Educate your managers on the importance of reviewing the details
- Managers in turn train their employees to review the details
- Get employees to think of center money as their own

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### Financial Best Practices: Case Costing

- Case Costing – You’ve heard it before!
  - Start with your highest supply cases
    - Supply cost
    - Salaries
      - PreOp
      - OR
      - PACU
  - Overhead
    - Transcription
    - Linen

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### Financial Best Practices: Case Costing

- Case cost by physician by specialty
- Compare the costs to what insurance companies are paying for these procedures
- Review physicians' case volumes and see if certain procedures are increasing/decreasing
  - Are the good paying procedures going elsewhere?
  - Do you need to leverage decreased supply costs with your vendor?

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### Financial Best Practices: Supply Review

#### Supply review

- Create par levels
- Ensure vendor information is accurate
- Look at your custom packs
  - Is everything used/needed in these packs?

#### Look at your shipping costs

- Overnight
- Minimal order fees
- Ask for zero fees

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### Financial Best Practices: Material Management

#### Monthly meeting with materials manager and center management team

- Check contract pricing against actual pricing
- Have a project monthly (or more often)
  - Compare cost of fluids to invoice one month
  - Cost of implants to invoice the next

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## Financial Best Practices: Physician Committees

Create physician committees by specialty to review supplies

- Consolidate
- No new supplies until old is used or exchanged
- Show cost of cases by physician and how their distributions can improve
- Engage your GPOs and vendors

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## Financial Best Practices: AP & Contract Review

AP charges

- Know your terms to avoid late fees
- Discounts for payments within 15 days
- Due on receipt
- Net 10; net 30 days

Contract review

- All at least annually
- Include linen, medical gases, radiation badges, etc.

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## Financial Best Practices: Billing & Collections

Billing and Collections

- Verify that electronic claims have gone through
  - Reconcile the reports
  - Claims can be rejected by payor during this process and be sitting in limbo
  - Claims must be followed up every 15-20 days until paid
- Ensure that payment posting is accurate and timely
- Switch guarantor responsibility at the correct time

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### Financial Best Practices: AR

- Accounts Receivable
  - Work high dollar >\$1000 claims first
  - Work oldest claims first 90-60
  - Work \$999 to \$500 claims next, in 90-60 day buckets
  - Work high dollar 120 +days claims
- Look at payors in advance of surgery
  - Don't let bad paying cases or payors slip through the cracks

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### Financial Best Practices: Insurance Contracts

- Ensure insurance matrix outlining each contract is updated and loaded correctly in your computer system
- Must compare payment to contracted rate
- Ensure staff review payor bulletins

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### Marketing Best Practices

- Meet with partners one-on-one
  - At least annually
  - Engage senior management for these meetings

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## ASK

Don't be afraid to ask for what you want!

The worst that can be said is "no"

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## Questions?

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## Thank You!

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