Key Tips for Success Orthopedics in ASC's

What Works & What Doesn't

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BOSS
Boston Out-Patient Surgical Suites

Syllabus

- Keys to Success
  - Surgeons
  - Equipment/Supplies
  - Staffing
  - Anesthesia
  - Scheduling
  - Volume
  - Contracts
  - Management

Definitions

- Success =
  - Favorable or desired outcome
  - Achievement of an objective or goal

Definitions

- A successful ASC =
  one that reaps annual profits of 25 to 40 %
  - 1/3rd reality

Definitions

- A successful ASC =
  - Patient Outcomes
  - Patient Satisfaction

Surgeons

Efficient Surgeons- Time

- Fast- not necessarily
- Efficiency = good use of their time
- Ensure they know the "routine"
  - Pre-surgical routine
    - Surgical questions fielded in office
    - Consents pre-op
    - Orders pre-op
    - Consistency in patient preparation & H & P's, etc.
      - On-line pre-op screening programs help with screening & consistency

Efficient Surgeons- Time

- Ensure they know the "routine"
  - Day of surgery routine
    - Small dictation area- smaller lounge
    - In the room for positioning/set-up
    - Computers for viewing imaging
    - Ensure they DON'T see patients in b/w cases in building
- Ensure they book their cases correctly (& with the correct equipment!)
- May need to give them help- PA's/RNFA's

Efficient Surgeons- Time

- If you don't have them- recruit them
  - Other docs, anesthesia, staff: best references
  - Let THEM fill your rooms
- If your stuck with them
  - Case cost- with overhead cost/minute
  - Try to teach them/persuade them
    - Other docs
    - Staff members

Efficient Surgeons- Costs

- Use less materials
  - Inherent- may need to change their practice pattern
  - Need to be *receptive* to change
  - Case costing
  - Teach them/persuade them
  - Participate in trials- standardize
  - Get staff "in the know"- they can keep costs down
- Educate non-owners- it may help

Efficient Surgeons- Attitude

- Keep owners informed of everything
- Should buy into "the attitude" to be successful
- Kindness & respect breeds hard work from staff
- Willingness to accept criticism & change
- GET TO KNOW YOUR DOCS!!!

Equipment & Supplies

Equipment

- Have someone in charge
  - Committee with physicians if start-up
- Purchase vs. lease
  - Creative purchasing methods
  - Fee for disposable
- Use a GPO
- Trials/demos
  - Standardize
- Physician & Staff Involvement

Equipment

- Selection
  - High-end vs. low-end
  - Ramp up- start light buy more with increased $$$
  - Rule of 3's (1 to use, 1 to turn over, 1 for backup)
- Vendor relationships
- Get free stuff- (within legal limits!)
  - Based on usage
  - Promotions

Equipment

- Kits
  - Should be basic kit for every scope case
  - Additional kits for special procedures/cases:
    - Shoulder repair
    - ACL's
    - Small joints
  - Hand/Foot & Ankle kits
  - Ortho kits
  - "Specials"

Equipment

- Kits
  - Wrap everything else separate
    - This REQUIRES staff to know what the surgeon uses and pull these items prior to the case
    - Accurate preference cards essential
    - Active process involving nurse, tech and surgeon(s) to make these shell kits
  - Actively doing this is better for the equipment
    - Less to wash each time
    - Less times sterilized

Supplies

- Have someone in charge (full-time?)
  - Keeps inventory low- "just in time"
- Physician & Staff Involvement
- Trials/Demos
  - Save $$
  - Standardization
  - Pit vendors against each other
- Custom packs
  - Efficient in time and ordering
  - Keeps costs down

Supplies

- Utilize GPO- even for implants
- Accurate preference cards
- Case Costing: 2 ways
  - 1. Pick a CPT code and compare preference cards
    - Incorporate time for overall cost
  - 2. Pull every case and total cost compared to revenue received
    - Advanced practice
    - Can be an active process

Implants

- Create implant/products committee
  - Collect relevant quality data
  - *Physician* representative
  - Set pricing levels
  - Strict policy on bringing in new products
- Awareness of reimbursement methodology
  - Physician education
  - Center AND office scheduler education
  - Get Mgmt. approval on ALL cases

Implants

- "Preferred" products = > 2 surgeon's use →Stock these
- If < 2 surgeon's use → consignment
  - Ensure they create invoice before they leave facility
  - Try and do as much as possible!!
- Outsourcing implant management is an option

Implants

- Changing Industry
  - They want YOUR business
  - Not all are villains
  - Need to educate them on your types of reimbursement
  - Involve them in the whole process:
    - Monitoring stock
    - Educating staff
    - Delivery management

Implants

- Changing Industry
  - Negotiate well
  - Company now who offers less expensive implants/supplies/equipment
    - This will change the face of negotiations
    - Attempt to get your surgeons on board
    - Even a trial or introduction of products will help
    - Physician education on specific case use
  - Technology may save time overall

Implants

- Vendors
  - Create Vendor Policies
    - Keep them from talking to docs- surgeon request only?
    - Monitor their stock
    - Ensure they bill properly
    - Exchange expired implants for free
    - Minimize influencing
    - Free replacement of defective products

Staffing

Staffing

- Staff qualities
  - Experience (a must)
    - ASC and specialty
  - Hard-working
  - Fast-paced
  - Teamwork
  - Versatile
  - Flexible

Staffing- Experience

- Specialty/Procedure type
- Training
  - Turnover Time
  - Efficiency
  - OR Flow
    - Always case ahead
    - Rooms stocked
  - In-services
  - Cross-Train

Staffing

- Staff mix
  - Full-Time vs. Part-Time (per-diems)
  - Department Staffing
  - NA's/MA's
  - Instrument tech
  - Materials Mgr. (1st Tech)
  - LPN's
  - Infection Control Nurse

Staffing

- Staffing strategies
  - Pay them!
  - Pay the techs!!
  - Have great Benefits
  - Revenue sharing
  - Involve the staff in decisions

Anesthesia

Anesthesia Selection

- Anesthesia Group
  - Area of coverage
  - Ownership interest (pros & cons)
  - Involve them in the build-out & buying process
- Anesthesia Providers
  - Limit # of Providers (efficiency)
  - Provider model (CRNA's, "extra" anesthesiologist)
  - Involvement with Board (Medical Director??)
- Type of Anesthesia
  - MAC's, LMA's and Blocks

Anesthesia Selection

- Regional Nerve Blocks
  - They work!
    - Our experience
  - May add some time to OR day
  - Absolutely eliminate PACU L.O.S.
    - Less Pain
    - Less nausea & vomiting
  - Get ultrasound machine- S.O.C.
    - If your anesthesiologists can't use USS, train them
    - Less medication- more for post-procedure locally

Anesthesia Selection

- Anesthesia Misc.
  - Staffing for efficiency
    - CRNA's vs. "extra" anesthesiologist
    - Bring pt. in room while tech sets up
  - Consents
    - Pre-surgery in office
    - Pt. comes in earlier
    - Time-out by anesthesiologist
  - Good discharge instructions for the pt.
    - Nerve blocks

Scheduling

Scheduling

- Do bigger cases early in the morning
  - Shoulders first→bigger knee cases→knee scopes
    - Set-up- amount of equipment
    - Recovery
    - Bounce rooms (ensure surgeon is good "bouncer")
    - Same sides
- Equipment awareness
- Turnover time

Scheduling

- Realistic bookings/times
  - Ensure they book implants/supplies needed
- Swing rooms
  - Helps get extra case or 2
  - Prepares and reserves anesthesia
- Relationships with schedulers
  - Extremely important
  - Audit tool for cases lost to hospital

Financial Keys

Volume

Volume

- ↑ cases = ↑ $$$
- Our experience
- Once you cover overhead, with good contracts, the rest is profit
  - Direct costs
  - Indirect costs
- Audit your owners

Case Mix

- Case types- **knee arthroscopy**
  shoulder arthroscopy
- Payor-based
  - Implants
  - Reimbursement rates
  - Research it- communicate
- Payor mix
- Surgeon dependent
  - Time
- Often can't control

Contracts

Contracts

- Don't try and do it all yourself- hire a consultant
- Meet with insurance companies at the Center
  - Attempt to get their Medical Director there
  - Have a physician (or 2) come to the meeting
    - Let's them know they are committed
  - Case cost with them- give them the facts
  - If many high-cost supplies- ↑$$
  - Know where you need to land
  - If they don't negotiate- cherry pick

Contracts

- Use Medicare increases as a reference
- Negotiate carve-outs
  - i.e. arthroscopy codes - < 70
  - Could be 10-13 codes!!: 29806, 29807, (29822), 29823, (29824), 29826, 29827, (29828), (29875), 29877, 29880, 29881, 29882, 29888
  - If no implant reimbursement- ensure those codes reimbursed even higher
    - 29806, 29807, 29827, 29828, 29882, 29888, 29889

Contracts

- Don't be afraid to be Out-of-Network
- Aggressively negotiate
  - Out-of-Networks
  - Workman's Compensation
    - Threaten to cancel- and do. Get docs on board
    - Open House
- DME +/-
- Surgeon awareness

Business Office Misc.

- Aggressive business office personnel
- Effective A/R policies
- Accurate pre-certs (especially bigger cases)
- Turn-around on dictations 24 hrs.!!!
  - Dictate CPT codes in operative report
  - Use superbills/dictation templates
- Multiple procedures- properly coded
- Implants on initial bill
- Follow-through on denials

Management

Center Management

- Must have a strong Administrator
- Effective communication style
  - Board Meetings
  - Face time with ALL staff members
- Management Team:
  - Nurse Mgr.
  - Business Office Manager
- They hold the keys.

Center Management

- Meeting Schedules
  - Board Meeting
    - Monthly to start- can go to every other month
    - Committee meetings
    - Pay them to participate
    - Report and act on decisions
  - Staff meetings
    - Monthly
    - PRN
    - In-services
    - Record them

Board Meeting Content

- Be brief
- No paper
- Specifics:
  - Staffing Update: summary/needs
  - Equipment/Supply Update
  - Contracting
  - Committee reports (QAPI)
  - Patient Satisfaction
  - Legislative & Compliance Issues

Board Meeting Content

- Financials:
  - Volume (include specialty/ownership breakdown)
  - P & L
  - Balance Sheet
  - Debt analysis
  - AP, A/R, days out, % over 90/current claims
  - Benchmarking
  - Case Costing
  - Recruitment

Staff Meeting Content

- Specifics:
  - Volume and potential changes (recruitment/block)
  - Staffing Update
  - Legislative Update
  - Equipment/Materials Update
  - Committee reports
    - QAPI Issues
    - Patient Satisfaction and comments
  - Misc: benefit changes, outings, etc.
  - Surgeon vacations (so they can plan!)

Consulting

- Don't reinvent the wheel
  - Management Company
    - +/- ownership
  - Consultants
- They have your business needs
- Start-up vs. ongoing
- **Ensure** they have the experience of your specialists
  - References

Conclusion

- Ensure you know everything about the Center
- Ensure your docs know everything about the Center

Questions?

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