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What are the Key Issues Facing Great ASC Administrators

Tracey Hood, Administrator
Ohio Valley Ambulatory Surgery Center

Brooke Smith, Administrator
Maryland Surgery Center for Women

Kara Vittetoe, Administrator
Thomas Johnson Surgery Center

Tracey Hood, RN, CASC

Administrator
Ohio Valley Ambulatory Surgery Center
Mid-Ohio Valley Ambulatory Surgery Center
Belpre, Ohio

- Ms. Hood is the administrator of Ohio Valley Ambulatory Surgery Center and Mid Ohio Valley Medical Center in Belpre, Ohio.
- She previously worked as an ASC charge nurse, OR circulating registered nurse, PACU nurse, certified emergency RN, cardiac catheterization lab nurse and a critical care nurse.
- Ms. Hood currently serves as an executive board member for the Ohio Association of Ambulatory Surgery Centers and is active in the government affairs committee.

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Brooke Smith

Administrator
Maryland Surgery Center for Women
Rockville, MD

- Brooke Smith is the administrator of a single specialty ambulatory surgical center in Rockville Maryland.
- Brooke has over 15 years experience in the ASC industry having held positions such as surgical technologist, materials manager, clinical coordinator, physician liaison and physician recruiter.
- Her vast experience allows her manage as a "hands on" administrator in all areas of operation.
- She, along with ASCOA, have been crucial components in the turnaround of her center which was accomplished in a very short amount of time.
- Brooke recently expanded the services of the center to include circumcisions. This new project has nearly doubled both the revenue and case volume of the center.

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Kara Vittetoe, CASC

Administrator
Thomas Johnson Surgery Center
Frederick, Maryland

- Prior to joining ASCOA in 2008 Kara worked in the private sector of health care in administration in a multitude of executive level positions in private practice as well as holding board and committee positions with Children's National Medical Center and Shady Grove Hospital.
- She had been a lead consultant to PRN Medical Management and past speaker and presenter for GE Healthcare and Medimmune with a focus on private health care practice management.
- She obtained her CASC in 2010 and is notable for her years in community support and active role in the Women's Network

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Physician Recruitment

- Challenges:
  - Recruitment of new physicians into a rural or ASC saturated markets.
  - New physicians are coming into the area as hospital employees.
- Solutions:
  - Exhaustive, continuous review of all available physicians in market.
  - Current partners involvement and introduction.
  - Add new procedures and services.

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Example – 1
Benefits of Performing Circumcisions at your ASC

- Medical opinion that delay of procedure improves success of breast feeding
- Enhances patient hospital experience
- Improved communication between physician and patient/family
- Allows physician to schedule procedure in optimal timeframe
- Increases ASC revenue stream without impact on physician professional fee

Example – 2
Set up Cost Associated with Performing Circumcisions

	Equipment	Instruments	Specialty Supplies
	Braslow bag $1,950	Gomco Clamp $125	Diapers and Wipes
	Pediatric Monitor $3,391	Mogen Clamp $175	Sweet Ease solution
	Circumcision restraint boards (Papoose boards) $285 each	Circumcision set (3 Mosquitoes, eye probe, suture scissor) $40	Pacifiers
	Acoustic sound absorption panels $240		Disposables: syringe, 4x4, utility drape,#10 blade, Vaseline
	Halogen procedure light $900		
Total Cost	$6,766	$1,700 for 5 sets	$3.50 Per patient

Example – 3
Other Considerations

Training	Equipment	Facility	Business Office
Staff in Pre-Op, OR and PACU need to have PALS certification	Pediatric Crash Cart	Separate Waiting Area, especially if performing other GYN procedures	Standard knowledge of regulations for maintaining pediatric records
Knowledge of breastfeeding	Braslow Kit	May need sound barriers	Develop chart forms, if needed
In service staff on procedure	Obtain adequate number of circumcision trays	Develop brochure for family education	

Example – 4
Reimbursement Snapshot

Can vary by region

Variance between in and out of network

Market Example - Maryland

CPT Code	Medicare	Medicaid	Tricare	Commercial, INN	Commercial, OON
54150	NA	Not covered	$354	$560 average	$7,112 average
54160	NA	Not covered	$535	$664 average	$7,112 average

Example – 5 Market Example

	Contracted?	CPT 54150	CPT 54160
Aetna HMO	No	Out of network benefits apply until (if/when) a contract is accepted	Out of network benefits apply until (if/when) a contract is accepted
Aetna -all Other Commercial	No	Out of network benefits apply until (if/when) a contract is accepted	Out of network benefits apply until (if/when) a contract is accepted
BlueCard	Yes	$1000	$1,000
BCBS - Commercial Products	Yes	$1125	$1125
BCBS - Medicare Products	No	Not a covered benefit	Not a covered benefit
CIGNA - PPO	No	Out of network benefits apply until (if/when) a contract is accepted	Out of network benefits apply until (if/when) a contract is accepted
CIGNA - HMO	No	Out of network benefits apply until (if/when) a contract is accepted	Out of network benefits apply until (if/when) a contract is accepted
Tricare	No	Local Allowable is $344	Local Allowable is 521
UHC - All Commercial Products	No	Out of network benefits apply until (if/when) a contract is accepted	Out of network benefits apply until (if/when) a contract is accepted
UHC - Medicare Products	No	Not a covered benefit	Not a covered benefit
Medicaid	???	Local Allowable is $526	Local Allowable is $526

Capturing Eligible Cases

- Periodic Office Visits to educate schedulers at practices as to what cases are eligible. Create a personal relationship with office staff.
- Data reviewed at practices must be de-identified.
- Contact surgeons to discuss cases that are eligible on a periodic basis.
- Review instrumentation, equipment, staff skills, scheduling processes for impediments.

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Office Visit Report - 1

Any Surgery Center

Week Ending	SEPTEMBER								
	NP- non par	PC- pat choice		D- deductible exceeds reimbursement			A - Age	
		HR- health risk		NOO- no out net benefits			O-other (outside geographic area)	
Month - September	Physician	Monthly Goal	# of cases performed/scheduled at SSSC	% cases goal	Out Pt Cases performed/Scheduled elsewhere	Total OP cases this week	Explanation for Cases performed elsewhere:	Potential Cases = Lost Eligible Cases and Revenue	Plan of Corretion/Education
2-Sep	ENT		0		3	3	2 NP, 1 HR (asst surgeon)	Potential: 0	Next week's log sheet provided upon office visit
9-Sep			6		1	7	1 HR	Potential: 0	
16-Sep			0		4	4	3 NP, 1 HR	Potential: 0	
23-Sep			0		8	8	6 NP, 2 HR	Potential: 0	
30-Sep			0		1	1	1 NP	Potential: 0	
Monthly total	Dr X	7	6	86%	17	23		Total Potentials:	
2-Sep	ENT		0		10	10	10 NP	Potential: 0	Next week's log sheet provided upon office visit
9-Sep			6		9	15	2 HR & 7 NP	Potential: 0	
16-Sep			1		0	1	-	Potential: 0	
23-Sep			0		12	12	2 HR 10 NP	Potential: 0	
30-Sep			0		0	0		Potential: 0	
Monthly total	Dr Y	22	7	32%	31	38		Total Potentials:	
2-Sep	ENT		0		8	8	8 NP	Potential: 0	Next week's log sheet provided upon office visit. PC cases @ Brookhaven Mem. Hosp due to geography
9-Sep			0		5	5	3 NP, 1 HR 1A	Potential: 0	
16-Sep			0		13	13	9 NP, 1 & 3 PC	Potential: 0	
23-Sep			0		5	5	5 NP	Potential: 0	
30-Sep			0		7	7	5 NP	Potential: 0	
Monthly total	Dr Z	15	0	0%	38	28		Total Potentials:	
2-Sep	GEN SURGEON		1		4	5	3 HR, 1 NP	Potential: 0	Met with new ONI & MD on 9/30/11. Identify and schedule all eligible cases at center
9-Sep			0		6	6	3 HR, 3 NP	Potential: 0	
16-Sep			4		2	6	2 HR	Potential: 0	
23-Sep			0		3	3	3 HR	Potential: 0	
30-Sep			1		3	4	3 HR (asst surgeon)	Potential: 0	
Monthly total	Dr A	15	6	55%	18	24		Total Potentials:	
2-Sep	PAIN		20		16	36	1 NP, 15 MCR	Potential: 0	Upon 9/30/11 visit, no further bookings scheduled.
9-Sep			13		10	23	3 NP, 2 MCR, 5 PC (sched issues)	Potential: 5	
16-Sep			10		7	17	5 NP, 2 MCR	Potential: 0	
23-Sep			12		6	18	5 NP, 5 MCR	Potential: 0	
30-Sep			18		8	26	6 NP, 2 PC	Potential: 2	

Office Visit Report - 2

Month - September	Physician	Monthly Goal	# of cases performed/scheduled at SSSC	% cases goal	Out Pt Cases performed/Scheduled elsewhere	Total OP cases this week	Explanation for Cases performed elsewhere:	Potential Cases = Lost Eligible Cases and Revenue	Plan of Correction/Education
16-Sep	PAIN		8		3	11	3 HR	Potential: 0	
23-Sep			18		6	24	5 NP, 1 PC	Potential: 1	
30-Sep			12		8	20	8 NP	Potential: 0	
Monthly total	Dr H	29	48	166%	25	73		Total Potentials:	
2-Sep	ORTHO		0		0	0	unable to perform office visits at doctors' request	Potential: 0	
9-Sep			0		0	0	VACATION	Potential: 0	
16-Sep			4		0	4	unable to perform office visits at doctors' request	Potential: 0	
23-Sep			2		0	2	unable to perform office visits at doctors' request	Potential: 0	
30-Sep			0		0	0	unable to perform office visits at doctors' request	Potential: 0	

Staff Morale & Staff Retention

- Leadership is Key. Adapt leadership style to employee needs.
- Explore options for improved employee benefits.
- Cross-train staff whenever possible to prevent "burn-out" as well as aid in the efficiency of the center.
- Develop Team atmosphere. Administrator is the leader, in the thick of things, not just behind desk.
- Celebrate milestones and achievements.

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Staff Morale & Staff Retention

- Involve the staff, whenever possible, in decisions affecting the ASC.
- Periodic, consistent scheduled staff meetings.
- Maintain a positive work environment where each person is respected.
- Employee satisfaction surveys.
- Thank you notes, hand written for great performance.
- Anniversary card sent to home with hand written note on anniversary of hire date.
- One-on-one conversations, use first name frequently.
- 10 favorites list and use it.

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Favorites Survey

Item	Your Favorite
Color	
Movie	
TV Show	
Restaurant	
Candy/Dessert	
Snack	
Perfume/Cologne	
Singer	
Holiday	
Cuisine	

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Payroll Cost Containment

- Schedule Compression
  - Optimize efficiency while maintaining physician satisfaction.
  - Creative scheduling.
  - Open communication with physician office schedulers.
  - Weekly/monthly office review of cases to capture all eligible cases for the ASC.
- Calling Off, Sending Home, Per Diems, Part Time
  - Implement strategies to maintain morale and motivation.
- Hire UAPs (unlicensed assistive personnel) as appropriate

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Maximize Reimbursements

- "Titanium Hand in Velvet Glove" enforcement of Billing and Collections Protocols.
- Administrator involved daily in details of billing and collections.
- Use Payer Negotiating professional. Work closely with negotiating company during contract discussions.
- Track contract compliance.
- ALWAYS appeal erroneous payments.
- Decreasing OON Payments: Monitoring of insurance re-imbursements to evaluate profitability of OON versus pursuing an In-Network contract.

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Supply Costs & Management

- Case costing on every case.
- Stringent price monitoring.
- Work with primary distributor on conversion and pack development.
- Quarterly profitability reviews with distributor.
- Utilize exhaustively a GPO.
- Involve all staff in supply containment, e.g., competitions, incentives, and "gentle" care of equipment.
- Develop a mutually rewarding working relationship with local hospitals/ASCs to borrow or trade as appropriate

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Implement Case Costing

- Key – Current Inventory, Preference Cards
- 3 Everys:
  - Every one, Every case, Every time
- Monthly review and discussion
- Best practice

Case Costing

Example 1. Determine Overhead & Cost Per OR Minute:

OR Time = Patient In to Patient Out of OR

Cost / Minute =

$$\frac{\text{Total Costs – Supply Costs}}{\text{Total O.R. Minutes}}$$

Simple: Everything revolves around the OR Minute

Case Costing: Calculating the OR Minute

Step 1: By accounting period (month)

*Overhead (minus supplies) / OR minutes = OH per OR minute

Step 2: By 1° CPT/Surgeon:

(OR mins x OH per OR minute) + Supplies = Case Cost

*Overhead is the total expense for the month from the P & L statement (cash accounting) minus medical supplies

Case Costing

Example 2: Determine Overhead & Cost Per OR Minute

Revenue = $300,000
Supplies = $77,000
Distribution = $75,000
Debt Service = $40,000
200 Cases @ 30 Minutes each

Case Costing

Cost = Revenue - Supply - Dist. - Debt Service
Cost = 300,000 - 77,000 - 75,000 - 40,000
Cost = $108,000
Total O.R. Minutes = 200 cases X 30 min.
Total O.R. Minutes = 6,000 Minutes

Overhead Cost / Min. = $\frac{108,000}{6,000}$ = $18 / Minute

Case Costing Report - Example

CPT	Procedure	Payer	Standard Charge	OR Mins	O/H Costs $28.66/ min	Supply Costs	O/H Costs Plus Supply Costs	Reimb	% Collected	Income (Loss)	Collection Status
28296	CORRECTIO N, HALLUX VALGUS	MCD	6,662	78	2,235	244	2,480	507	7.61%	-1,973	PAID
28296,2828 5 L8699X2	CORRECTIO N, HALLUX VALGUS	BC	11,412	74	2,121	256	2,377	3,018	26.44%	641	PAID
28296, 28285X2 28270X2 L8699X2	CORRECTIO N, HALLUX VALGUS	BC	25,786	100	2,866	347	3,213	23,328	90.47%	20,115	PAID
28296, 28126 28288 L8699	CORRECTIO N, HALLUX VALGUS	BC	15,952	95	2,723	250	2,973	6,592	41.33%	3,620	PAID
28296, L8699	CORRECTIO N, HALLUX VALGUS	CIGNA	6,662	77	2,207	242	2,449	0	0.00%	-2,449	Carrier Issue- Claim is in process
		TOTALS	66,474	424	12,152	1,339	13,491	33,445	50.31%	19,954	

Best Practices - Sample

NAME OF FACILITY

COST COMPARISON

DATE: 8-2005
Procedure: BMTs

SUPPLIES IN COMMON									
Dr. A		Dr. B		Dr. C		Dr. D		Dr. E	
ITEM	PRICE	ITEM	PRICE	ITEM	PRICE	ITEM	PRICE	ITEM	PRICE
Circuit	$ 10.02	Circuit	$ 10.02	Circuit	$ 10.02	Circuit	$ 10.02	Circuit	$ 4.10
Mask	$ 3.56	Mask	$ 3.56	Mask	$ 3.56	Mask	$ 3.56	Mask	$ 2.65
Blade	$ 5.68	Blade	$ 5.68	Blade	$ 5.68	Blade	$ 5.68	Blade	$ 7.20
Mask	$ 0.64	Mask	$ 0.64	Mask	$ 0.64	Mask	$ 0.64	Mask	$ 0.64
Slipper	$ 0.64	Slipper	$ 0.64	Slipper	$ 0.64	Slipper	$ 0.64	Slipper	n/c
Towel	$ 4.87	Towel	$ 4.87	Towel	$ 4.87	Towel	$ 4.87	Towel	$ 2.05
Med cup	$ 0.62	Med cup	$ 0.62	Med cup	$ 0.62	Med cup	$ 0.62	Med cup	n/c
Glove	$ 1.18	Glove	$ 1.18	Glove	$ 1.18	Glove	$ 1.18	Glove	$ 0.31
SUPPLIES THAT DIFFER									
ITEM	PRICE	ITEM	PRICE	ITEM	PRICE	ITEM	PRICE	ITEM	PRICE
Tubes	$ 9.92	Tubes	$ 9.92	Tubes	$ 17.28	Tubes	$ 38.00	Tubes	$ 19.20
Collar Button		Collar Button		Reuter Bobbin		Paparella			
Flexin	$ 39.25	Flexin	$ 39.25	Flexin	$ 39.25			Flexin	2.95
Cannister	$ 5.70	Cannister	$ 2.85	Cannister	$ 5.70	Cannister	$ 5.70	Cannister	$ 2.85
Tubing	$ 1.07	Tubing	$ 1.07	Tubing	$ 1.07	Tubing	$ 1.07	Tubing	$ 1.07
TOTAL COST	$ 83.15		$ 80.30		$ 90.51		$ 71.98		$ 43.02
AVERAGE OR TIME									
	13		17		14		45		16

OPPORTUNITIES:
Use only one suction per case
Change to single use Flexin)
ANNUAL REALIZATION IN REVENUE
Proposed change times number of cases annually equals = potential annual savings to facility
Results: Flexin - savings of $11,456.64 annually based on 312/year
Suction - savings of $1,057.68 annually based on 312/year

Conflict & Confrontation Management

- Balancing advocacy and inquiry conversational skills to work through issues.
- Know when to discuss and when to put on "hold" until the heat of the moment has passed.
- Data is KING. Good, accurate data allows for an objective discussion.
- Compartmentalize issues if multiple.

Confrontation & Conflict Management Balancing Inquiry and Advocacy*

- **Advocacy:** Present and argue strongly for one's position or belief
- **Inquiry:** Lay out reasoning and thinking to learn about others views and have them learn about yours
- **Goal:** Create dialogue for movement towards and acceptance of change; road to continuous improvement

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*Senge, Peter. The Fifth Discipline Fieldbook, pgs. 253-263

Conversational Recipes for Improved Advocacy

What to Do	What to Say
State your assumptions and describe the data that led to them	*"Here is what I think, and here is how I got there?"*
Explain your assumptions	*"I assumed that . . ."*
Make your reasoning explicit.	*"I came to this conclusion because . . ."*

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Conversational Recipes for Improved Inquiry

What to Do	What to Say
Gently walk down the ladder of inference and find out what data they are operating from	*"What leads you to conclude that? What data do you have for that? What causes you to say that?"*
Use unaggressive language, particularly with people you are not familiar with these skills. Ask in a way which does not provoke defensiveness.	"Instead of *"What do you mean?"* Or *"What's your proof?"* Say *"Can you help me understand your thinking here?"*
Check your understanding of what they have said.	*"Am I correct that you're saying . ."*

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Conversational Recipes for Balancing Advocacy with Inquiry

When . . .	. . . You might say
Strong views are expressed without any reasoning or illustrations	"You may be right, but I'd like to understand more. What leads you to believe . . .?"
The discussion goes off on an apparent tangent . . .	"I'm unclear how that connects to what we've been saying. Can you say how you see it as relevant?"
You perceive a negative reaction in others . . .	"When you said (give example)…I had the impression you were feeling (fill in emotion). If so, I'd like to understand what upset you."

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Patient Satisfaction

- Pre and Post-operative telephone calls with each patient.
- Limited family separation.
- Hiring the "right" people.
- Personalize the patient's experience from first contact, to day after surgery post-op call.
- Focus on patient satisfaction as the #1 asset over the competition.

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Multiple Facility Management

- Juggling same set of needs for 2 facilities
- Sharing staff
- Don't duplicate efforts

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QUESTIONS?

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