

Is Your ASC as Efficient and Profitable as it Should Be?

Becker's ASC Review Webinar

May 18, 2017

Ambulatory Surgical Centers of America

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Format for Webinar

- Biggest areas for improvement to be addressed
- Additional questions can be addressed
- Q&A moderated by Scott Becker
- Feel free to email us

Topics to be Covered

- Efficiency
 - Key areas for efficiency gains
 - Metrics to track
- Profitability
 - Case Costing
 - Recruiting new cases
 - Improving Reimbursements
 - Improving Collections

Efficiency in the ASC – Key Areas

1. Scheduling- OR Time is your #1 Asset
 - Compression (Vertical)
 - Staffing and Supplies
 - Block Utilization
2. Inventory
 - On Time Ordering
 - Stock Levels
 - Preference Cards & Depletions
 - Contract Compliance (LOC)
 - New Technology
3. Business Office
 - AR/ Avoiding those Denials
 - Dictation and Billed Claims
 - New technology – Mobile Apps

Efficiency in the ASC – Metrics

- AR Days- Industry avg is 40 days
- Turnover Time
- Late Starts
- Cancellations
- Profitability
 - Goal is 40%
 - Medical Supplies are 25% of Net revenue
 - Payroll is 28-30% of Net Revenue

Profitability in the ASC – Case Costing

- Monthly basis
- Case by Case (look at every case)
- OH Cost per minute
- How to use data
 - Collections and supply cost
 - Share with the Doctors

Case Costing Examples

- Pain physician was not profitable: found a drug being used that needed an LOC signed, reduced cost from \$78 each to \$6.00 each
- Ophthalmology Case Study: Reduced OR time from avg 46 mins per case to an avg of 21 minutes per case and significantly reduced case costs by streamlining the packs used and IOL.
- Ortho Shoulder RCR: Lead physician and most profitable was able to work with other physicians and changed their technique in RCR and still allowed them to use their preference in anchors.

Case Costing Example

Key DOS	Case#	Account	CPT	Procedure Name	Prim payer	# proc/case	OR Mins	Supp cost	OH Cost	Tot cost	Billed Chgs	Receipts	profit/Loss	Comments
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Specialty	Cases	OR Min	D&M/cs	Tot Cost/cs	Tot Collections	Collection/cs	Total Profit	P&L/cs
Ortho	102	67	\$ 891	\$ 2,423	\$ 282,955	\$ 2,774	\$ 35,801	\$ 351
Ophthalmology	139	29	\$ 491	\$ 1,155	\$ 207,153	\$ 1,490	\$ 46,579	\$ 335
Blephs	40	30	\$ 58	\$ 742	\$ 116,271	\$ 2,907	\$ 86,605	\$ 2,165
Pain	105	17	\$ 38	\$ 437	\$ 84,124	\$ 801	\$ 38,189	\$ 364
ENT	58	51	\$ 381	\$ 1,557	\$ 145,239	\$ 2,504	\$ 54,936	\$ 947
Ortho Hand	26	62	\$ 720	\$ 2,140	\$ 59,527	\$ 2,290	\$ 3,886	\$ 149
Breast Surgery	23	50	\$ 148	\$ 1,297	\$ 36,056	\$ 1,568	\$ 6,219	\$ 270
Podiatry	1	87	\$ 215	\$ 2,205	\$ 2,160	\$ 2,160	\$ (46)	\$ (46)
General	8	69	\$ 395	\$ 1,968	\$ 16,622	\$ 2,078	\$ 875	\$ 109
Tot/Avg	502	51	\$ 371	\$ 1,547	\$ 950,107	\$ 2,063	\$ 273,044	\$ 544

Profitability in the ASC – Recruiting

- ABR – Always Be Recruiting
- Adding Specialties
- Overlooked areas to find new doctors
- Use your resources wisely

Profitability in the ASC – Reimbursements

- Paid Correctly?
- Carve-outs for Top Procedures
- Implant Reimbursement
 - Billing and Tracking
 - Vendor Negotiation

Profitability in the ASC – Collections

- AR Protocol- do you have one?
- Insurance verification/Coin/Pt Deduct
- Collections up front
- Timeliness of Billing
- Staff Follow up with Payers
- Audit Trail

Q&A with Scott Becker

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