Inside: Specialty Focus on Urology, ENT and Ophthalmology

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BECKER'S
ASCREVIEW
Practical Business, Legal and Clinical Guidance for Ambulatory Surgery Centers

170 People to Know in the ASC Industry

Sami S. Abbasi. Mr. Abbasi is the chairman and CEO of National Surgical Care. Prior to joining National Surgical Care, he served as president and CEO of Radiologix, a leading national provider of diagnostic imaging services. Mr. Abbasi is the director and chairman of the audit committee for Behringer Harvard Multifamily REIT I and serves on the board of directors for American CareSource Holdings.

David J. Abraham, MD. Dr. Abraham is a physician at the Reading Neck and Spine Center in Wyomissing, Pa. He is a board-certified in orthopedic surgery and a member of the American Academy of Orthopedic Surgeons, North American Spine Society and the Pennsylvania Orthopedic Society.

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Core Trends in ASCs: 14 Observations

By Scott Becker, JD, CPA, and Renée Tomcanin

This article briefly highlights 14 observations regarding the current ASC industry. It outlines a number of thoughts on trends and challenges facing ASCs.

1. ASCs are holding up, overall, fairly well compared to the rest of the economy. Many of the industry experts agreed that most ASCs are doing fairly well as compared to other businesses in this economy.

Daniel Daube, MD, FACS, a physician at the Surgical Center for Excellence and Gulf Coast Facial Plastics and ENT Center in Panama City, Fla., says, "We're definitely holding up and doing better than most in this economy."

2. ASCs are seeing decreases in overall procedures. Decreases in procedures are seen

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Kathy Bryant of the ASC Association Discusses Critical Regulatory Issues

By Renée Tomcanin

"Vigilance" is the word Kathy Bryant, president of the ASC Association, uses when describing the best course of action for ASCs to take in the face of new rules and regulations that have been implemented in recent months.

With all of the recent changes made in these areas, now is a good time for ASCs to review their policies to ensure that they are up-to-date and,

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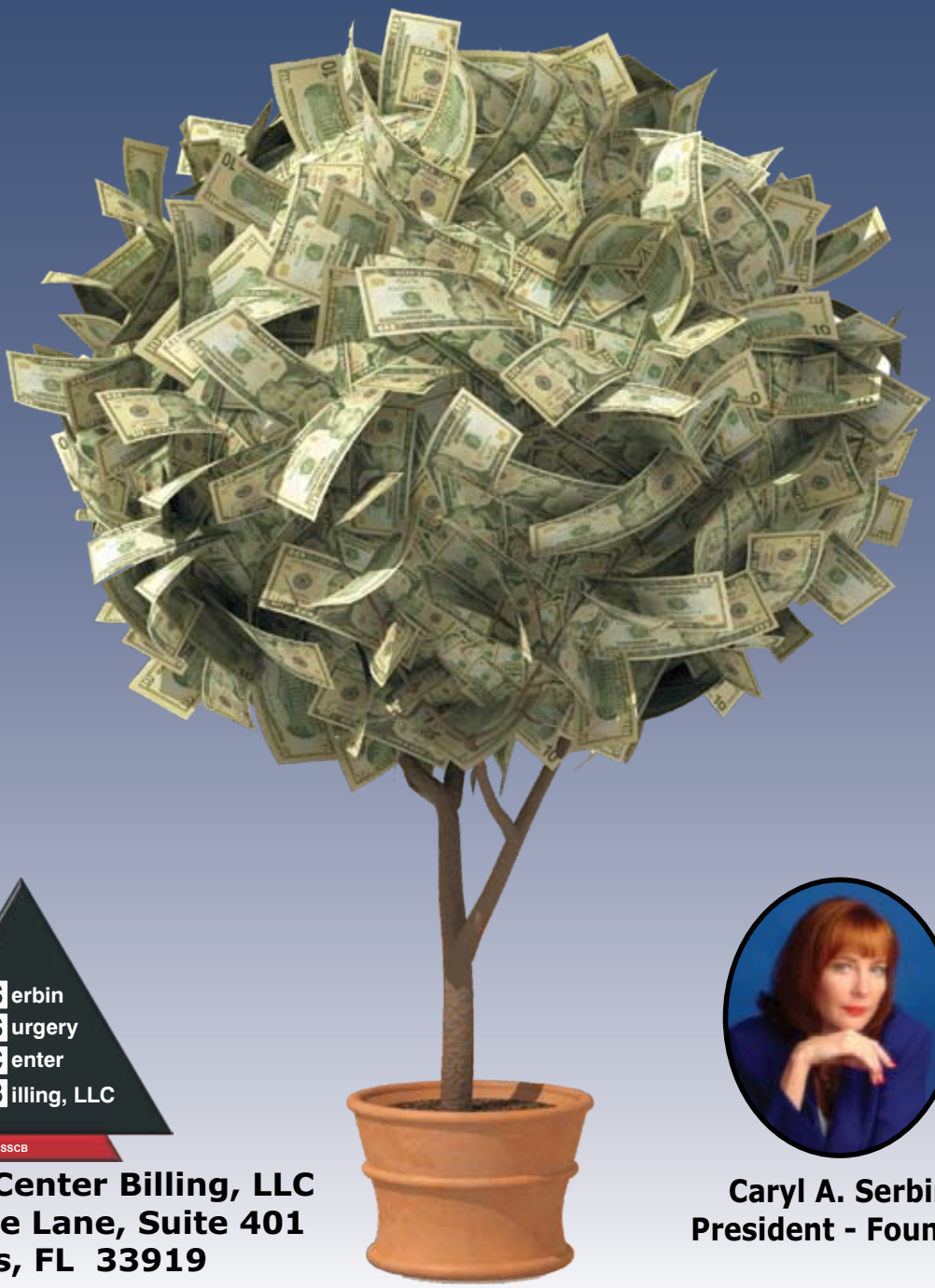

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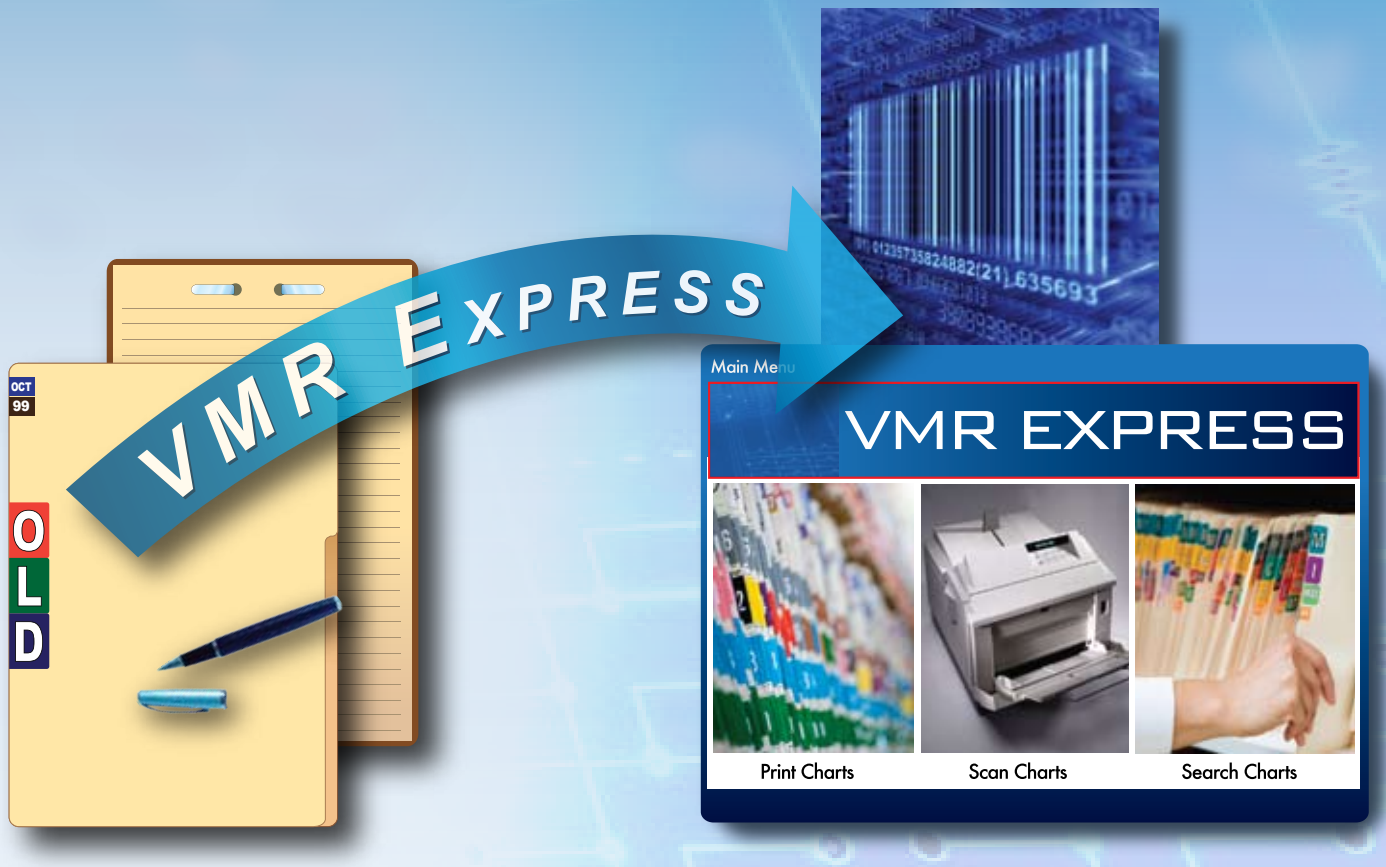

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FEATURES

Publisher's Letter

Healthcare Reform; ASC Trends and Transactions; ASC Communications and ASC Association present 16th Annual Improving the Profitability of ASCs Conference (Oct. 8-10, Chicago) - Special Discounts Available; Free White Papers Available

By Scott Becker, JD, CPA

The first six months of 2009 have been an extraordinary time in the healthcare sector. This letter discusses certain observations regarding healthcare reform, current ASC transactional trends, government regulations and new free white papers available.

1. Healthcare reform. The healthcare industry, including both payors and providers, is starting to consolidate its positions against significant healthcare reform. Healthcare reform can briefly be categorized into two distinct parts. First, covering the uninsured. Most parties are wholly for some method of assuring that all people have coverage. With coverage, the core concerns seem to be will coverage lead to reduced reimbursement or to extraordinary national debt. Second, providing an alternative option, a "public option" for insurance, to traditional managed care plans and companies. It is the second part of healthcare reform that has parties greatly concerned.

From a payor perspective, a public option is viewed as government-sponsored competition against them. Further, they have concern that a government-sponsored model will be less expensive, that the government will have to deal with less problems (e.g., can unilaterally set rates and it will be immune from lawsuits) and that it will significantly and negatively impact the number of parties that are covered by the traditional large insurance companies.

From a provider perspective, a public option is concerning because providers get paid, on average, substantially less by governmental plans than they do by commercial plans. For example, hospitals are paid approximately 70 percent by government plans compared with what they get paid by commercial plans. Surgery centers and physicians are generally paid between 70-80 percent on average by governmental plans as compared to commercial plans. Thus, the migration of patients from commercial plans to public plans is viewed by providers as likely to cause a substantial negative direct hit to their revenues. This revenue loss would, in most places, be a direct negative reduction to the bottom line.

For a surgery center, a movement of even 10 percent of patients from a commercial model to a governmental model could mean the loss of 25 percent of its profits.

Over the last few months and next several months, as the President increases efforts to implement substantial healthcare reform, it will be interesting to see the extent of efforts by parties such as the American Medical Association, the American Hospital Association and the Association of Health Insurance Plans to respond to the President's efforts. At first, these parties tended to give positive lip service to the concepts of healthcare reform. Now that they see that the administration seems quite serious about healthcare reform, the gloves are beginning to come off.

2. ASCs: The first six months. After a very challenging January and February, it seems as though ASCs as a whole have held up fairly well over the first six months of this year. Procedures are down a small bit to flat in most markets. On the reimbursement side, day-to-day reimbursement on average cases has remained fairly flat. However, there has been a significant deterioration in the ability to access substantially outsized profits through out-of-network efforts, workers' compensation and through other types of payors that traditionally provided a significant portion of a surgery center's profits.

3. Government regulation becomes an increasing distraction. The government continues to impose additional burdens on surgery centers and other healthcare providers. Recently, new regulations have imposed new facility ownership disclosure to patient. Further, there are increased rules under HIPAA as to inadvertent disclosures of data and several other issues. Finally, the government is also imposing what are referred to as "Red Flags Rules." These rules require many businesses, including healthcare businesses, to implement practices to protect against identify theft. The continuous drum beat of regulation threatens to take facilities and healthcare providers away from their core business. The marginal benefit of certain of these regulations seems very questionable.

4. ASC transactions. The buying and selling of surgery centers has picked up some after an extremely slow first quarter of 2009. 2008 was an extremely busy year for surgery center transactions. These included surgery center transactions to majority interest buyers, minority interest management company buyers, hospitals and physicians. Due to changes in the credit markets, certain national companies had been putting acquisition activities on hold and there were very few majority interest transactions completed in the sector in the first quarter. As the second quarter has evolved, many parties are again searching for acquisitions.

Pricing for majority interest transactions from last year remains down by a multiple turn or two. In essence, transactions are being completed at 5.5-6.5 times EBITDA as opposed to at 6-8 times EBITDA. We are also seeing some increase in hospitals attempting to buy 100 percent of surgery centers. This is almost entirely based on both the elimination of under arrangement models and the reimbursement differentials between what hospitals get paid and what surgery centers get paid for outpatient surgical procedures. It is a trend that has been discussed for years. Currently, and typically in markets where hospitals do not believe that they need physician owner partners in the surgery center, there is an increase in these kinds of efforts.

5. 16th Annual ASC Conference: Improving Profitability, and Business and Legal Issues. ASC Communications with the ASC Association has two large conferences planned for the fall. First, we have our 16th Annual ASCs Improving Profitability, and Business and Legal Conference on Oct. 8-10 at the Westin Hotel in Chicago. This year we have nearly 97 speakers and nearly 70 sessions. We have great speakers from the surgery center industry as well as outstanding outside speakers such as Bill Lane, long-term speech writer for Jack Welch; Norm Ornstein, a political commentator of American Enterprise Institute; Craig Frances, MD, a leader in healthcare investing from Summit Partners, and several others. To register for the event, please contact the ASC Association at (703) 836-5904. The brochure for the event is also online at www.BeckersASC.com. If you register for the event, and provide a copy of this letter (or reference this letter) with your registration, and register by Aug. 15, please feel free to deduct an extra $100 from the conference registration.

6. Hospitals and Health Systems: Improving the Profitability of Orthopedic and Spine Programs. We have a second conference planned for Oct. 7. This conference is titled Hospitals and Health Systems: Improving the Profitability of Orthopedic and Spine Programs – Growing Volumes, Assessing Financial Relationships, and Business and Legal Issues. Should you have an interest in this program, please contact (800) 417-2035 or e-mail Scott Becker at sbecker@mcguirewoods.com.

7. White Papers. If you are interested in any of the following white papers, please feel free to e-mail me at sbecker@mcguirewoods.com or Kirsten Doell at kdoell@mcguirewoods.com and we will be happy to provide them to you.

- 10 Best Practices for Increasing Hospital Profitability, by Lindsey Dunn.
- Improving and Maintaining the Profitability of Orthopedic and Spine Practices – 12 Areas of Focus, by Renée Tomcanin.
- HIPAA Settlements Between Health Care Providers and the Government, by Anna Timmerman.
- What Hospitals Needs to Know about ARRA and the HIPAA Updates, by Anna Timmerman.

8. E-weekly: Becker's ASC Review and Becker's Hospital Review. If you would like to be added to the *Becker's ASC Review* E-weekly, please go to www.BeckersASC.com or e-mail sbecker@mcguirewoods.com. If you would like us to add you to the *Becker's Hospital Review* E-weekly, please e-mail me at sbecker@mcguirewoods.com or go to www.BeckersHospitalReview.com.

Should you have questions about any of the issues raised in this letter, please feel free to contact me at (312) 750-6016 or at sbecker@mcguirewoods.com.

Very truly yours,

Scott Becker

169 People to Know in the ASC Industry
(continued from page 1)

Margaret Acker, RN, MSN, CASC. Ms. Acker is the CEO of the Blake Woods Medical Park Surgical Center in Jackson, Mich., a multi-specialty, physician-owned surgery center. Previously, she served as nursing supervisor/house manager at Foote Hospital and clinical nurse manager for Foote Health System (now Allegiance Health) in Jackson.

Clifford G. Adlerz. Mr. Adlerz is president and COO of Symbion. Before co-founding Symbion, he served as COO of UniPhy, as division vice president of HCA (formerly Columbia/HCA Healthcare Corporation) and as a regional vice president for HealthTrust.

Damian "Pat" Alagia III, MD, MBA. Dr. Alagia is the president of Bethesda, Md.-based Safe Sedation, a company that provides anesthesia services to patients, physicians and staff performing surgery in a non-hospital setting. With a background in OB/GYN, he received his MBA from Johns Hopkins University in Baltimore and provides expert advice about business principles as they apply to anesthesia management and to healthcare as a whole.

Lisa A. Austin, RN, CASC. Ms. Austin serves as the Western Region vice president of ASC operations for Pinnacle III. She currently chairs the committee on Emergency Preparedness Plan for ASCs in Colorado and serves on the surgery center advisory board of Med Assets.

David Ayers. Mr. Ayers is the president of the surgical facilities division of Nueterra Healthcare. He has 20 years of experience developing, building and managing ambulatory facilities including surgery, imaging, physical therapy and urgent care centers. Mr. Ayres previously was vice president of a Fortune 500 company that specialized in ambulatory care product lines.

David "Buddy" F. Bacon, Jr., CPA. Mr. Bacon is the CEO of Meridian Surgical Partners, which develops, finances and operates ASCs. He previously served as CEO and CFO for Medifax EDI, a healthcare information technology company based in Nashville, Tenn.

Joseph Banno, MD. Dr. Banno founded the successful Peoria (Ill.) Day Surgery Center and is immediate past chairman of the ASC Association and a current executive committee member. He is a board-certified urologist with the Midwest Urologist Group.

Karen Barrow, RN. Ms. Barrow is the senior vice president of business development at group purchasing organization Amerinet. She joined Amerinet in 2002 as director of the medical and surgical division and played a critical role in developing a new data collection system that allows the Amerinet Clinical Advantage team to qualify facility data collection and analysis, benchmark that data and present the finding to the participating facility. Ms. Barrow has more than 25 years of experience in the healthcare industry, including experience as a surgical nurse, first assistant and business coordinator for St. John's Mercy Medical Center in St. Louis, Mo., and was an orthopedic, otolaryngology and radiological equipment sales representative for Dow Corning Wright, Smith & Nephew Richards and Viatronix.

Gregary W. Beasley. Mr. Beasley is the president of the ambulatory surgery division of HCA and previously served as COO and senior development office, Western region, for the division. Prior to coming to HCA, he served as controller and COO at HealthSouth Medical Center (formerly Dallas Specialty Hospital).

Cristina Bentin, CCS-P, CPC-H, CMA. Ms. Bentin is a principal and the founder of Coding Compliance Management, a consulting company specializing in coding support, reimbursement and training for ASCs and specialty hospitals. She is nationally recognized as a leading freestanding ASC coding educator, speaker and writer with more than 19 years of hands-on experience in ASC multi-specialty surgical coding as well as physician office coding.

Curtis H. Bernstein, CPA/ABV, CVA, MBA. Mr. Bernstein is a manager at HealthCare Appraisers. He has extensive experience working closely with ASCs, hospital systems, physician groups and other healthcare providers. Mr. Bernstein specializes in providing valuation services in the areas of business valuation and complex compensation structures including "per-click" leases and under arrangement agreements.

Chris Bishop. Mr. Bishop is a vice president of business development for Ambulatory Surgical Centers of America, where he currently leverages his extensive experience with surgeon partnerships to develop new ASCs. He severed for 14 years in leadership roles in the medical device and surgery center industries and was responsible for developing Smith & Nephew Endoscopy's surgery center sales team and strategy.

Shannon Blakeley. Mr. Blakeley is vice president of operations for National Surgical Care and works on business development, physician recruitment, financial management, operations and human resources issues. Before joining his current company, he was a vice president at HealthSouth Corp. and created a continuum of care model for HealthSouth's outpatient services.

Jeff Blankinship. Mr. Blankinship is the CEO and president of Surgical Notes, which provides transcription services to more than 450 surgery centers and 6,500 physicians in 42 states. Under his leadership, Surgical Notes has partnered with several large ASC development and management companies and leading surgeons throughout the United States.

Henry H. Bloom. Mr. Bloom is the founder of The Bloom Organization, a healthcare-consulting firm devoted to providing project-related services to healthcare providers. He has structured and negotiated numerous healthcare transactions including physician practice acquisitions and divestitures, joint venture arrangements between physicians and surgery center companies and syndicated physician-owned surgery centers.

Tim Bogardus. Tim Bogardus is the director of ASCs for Community Health Systems. Before joining CHS, he served as group vice president for Nueterra Healthcare where he was responsible for the operations of seven ASCs and surgical hospitals, and has also served as vice president of operations for a start-up ASC company and as administrator for two de novo ASCs.

Tom Bombardier, MD. Dr. Bombardier is a board-certified ophthalmologist, Ambulatory Surgical Centers of America's COO and one of its three founding principals. Before founding ASCOA, he established the largest ophthalmic practice in western Massachusetts, two ASCs and a regional referral center. Over the past 15 years, he has been a real estate developer on Cape Cod, Mass.

Regina Boore, RN, BSN, MS. Ms. Boore is the principal/CEO of Progressive Surgical Solutions. She has more than 25 years of clinical, administrative, teaching and consulting experience in ambulatory surgery. Prior to coming to Progressive Surgical Solutions, Ms. Boore worked as a perioperative nurse, OR supervisor and ASC director.

J. Bruce Bright, USMC (Ret.). Lt. Col. Bright is the director of business development for The Sanders Trust, and he serves as the company's ambassador, building strong client relationships nationally. His military service includes four years as a Marine Infantryman and 24 years as a Marine F/A-18 Fighter Pilot. Lt. Col. Bright holds the prestigious designation of Certified Commercial Investment Member.

Brett Brodnax. Mr. Brodnax is executive vice president and chief development officer at United Surgical Partners International and is one of the ASC industry's leading development executives. Due to his leadership, efforts and integrity, he has made USPI one of the fastest-growing ambulatory surgical chains, with a portfolio of nearly 100 surgical centers and several surgical hospitals located across the country.

Kathy J. Bryant, JD. Ms. Bryant is the president of the ASC Association and leads the activities of the nation's largest ASC membership association. She also serves as president of the Ambulatory Surgery Foundation.

Jason B. Cagle. Mr. Cagle is general counsel for United Surgical Partners International. Before joining USPI, he was in the corporate and securities section at Vinson & Elkins in Dallas.

Robert J. Carrera. Mr. Carrera is the president of Pinnacle III. With more than 20 years of healthcare experience, he has spent the last 15 years developing and managing ASCs, physical/occupational rehabilitation centers, diagnostic imaging facilities and occupational medicine clinics nationally. Mr. Carrera has been active legislatively at the state level regarding issues affecting ASCs in Colorado, Minnesota and Utah. He formerly served as the Colorado Ambulatory Surgery Center Association's vice president and was one of its founding members.

John Caruso, MD. Dr. Caruso has more than 16 years of neurological surgery experience. Since completing residencies at the Eastern Virginia Graduate School of Medicine and the University of New Mexico, he has been in private practice with Neurosurgical Specialists in Hagerstown, Md.

Frank J. Chapman, MBA. Mr. Chapman is the COO of Asheville (N.C.) Gastroenterology Associates and is past president of the Medical Group Management Association Gastroenterology Administrators Assembly and currently sits on the MGMA Patient Safety and Quality Committee. He is the first non-physician to hold a seat on the practice management committee of the American Society for Gastrointestinal Endoscopy, which he currently co-chairs. He is also a member of the board of directors of the AAAHC and serves on its governing board.

Susan Charkin. Ms. Charkin is the president of Healthcents, an ASC and physician specialty hospital contracting and consulting group. She has more than 15 years of experience in senior contracting positions with Health Net, Blue Cross of California, Blue Shield of California, Blue Cross Blue Shield of the National Capital Area, Aetna, MaxiCare and the University of California, San Francisco.

Thomas Chirillo. Mr. Chirillo is the president and CEO of Healthcare Business Solutions, a billing, collection and contracting company that focuses on providing services to ASCs and surgeons' practices. He previously served as senior vice president of corporate development for NovaMed. Mr. Chirillo has spent over 17 years in the healthcare industry with Becton Dickinson, CILCO, Ioptex Research and Guidant Corp.

Rajiv Chopra. Mr. Chopra is the director of strategic planning for The C/N Group. He has prior work experience in the banking and management consulting industries. Before joining the C/N Group, Mr. Chorpa was a principal consultant in the strategic change practice of PricewaterhouseCoopers Consulting.

Ravi Chopra. Mr. Chopra is the president and CEO of The C/N Group, which is involved in the development of surgery and imaging centers throughout the country. Under his leadership, the C/N Group has completed healthcare-related projects totaling more than $80 million in capital expenditures.

Monica Cintado-Scokin. Ms. Cintado-Scokin is the senior vice president of development for United Surgical Partners International, and she has been with USPI since 1998. Prior to joining USPI, Ms. Cintado-Scokin provided development and operations support in the international group at HCA.

Joseph Clark. Mr. Clark is the executive vice president and chief development officer of Surgical Care Affiliates and previously held the position of COO. He previously served as president of HealthSouth's surgery center division and was president and CEO of HealthMark Partners. He is on the board of directors of ASC Association.

James H. Cobb. Mr. Cobb is the founder, president and CEO of Orion Medical Services. With 37 years in management, he has focused the last 25 years in the medical field. Mr. Cobb previously served as CEO for the Pacific Cataract Laser Institute and Pacific Eye Center. He has been a member of the Medical Group Management Association for 20 years as well as a member of the American Society of Ophthalmic Administrators.

Daniel Connolly. Mr. Connolly is the vice president of payer relations for Pinnacle III. He performs all aspects of managed care contracting including contract negotiations, renegotiations, analysis, market analysis, implementation and compliance monitoring for ASCs in multiple markets. Mr. Connolly has worked in the healthcare industry for 20 years.

Jim Corum. Mr. Corum is the vice president of operations for HealthMark Partners where he has operational accountability for several ASCs. He is also responsible for center-level growth and marketing strategies with emphasis on physician recruitment. Throughout his tenure in outpatient surgery, Mr. Corum has successfully completed numerous physician syndications including both de novo and turnaround projects.

Bill Cramer. Mr. Cramer co-founded Access MediQuip and serves as vice chairman of the board. He has more than 20 years of experience in the healthcare industry, including experience developing hospital-based acute and chronic pain programs, and representing a variety of manufacturers in implantable device sales prior to founding Access MediQuip.

H. Dodd Crutcher. Mr. Crutcher is the chief investment officer of RMC MedStone Capital and has primary responsibility for sourcing and closing all asset acquisitions and dispositions for the company. Prior to assuming his role at RMC, he served as president of the Leasing Company where he had direct oversight responsibilities for the leasing and marketing efforts in Dallas, Houston, Austin, San Antonio and Denver.

Gregory R. Cunniff. Mr. Cunniff is the CFO of National Surgical Care and directs the financial activities of the company, including treasury, budgeting, accounting, information technology, long-range forecasting, risk management and investor relations. He was previously vice president and treasurer of United Medical Corporation and Western CFO for ASCs for HCA Healthcare Corp. He is on the board of directors of the ASC Association.

R. Blake Curd, MD. Dr. Curd is the interim executive director of Surgical Management Professionals, and is an upper-extremity and general orthopedics physician with the Orthopedic Institute in Sioux Falls, S.D. He completed his fellowship training at the Indiana Hand Center, the largest freestanding center dedicated to hand and upper-extremity care, research and education in the world.

Richard DeHart. Mr. DeHart is the co-founder and CEO of Pinnacle III and has more than 18 years of experience in the outpatient healthcare industry. He provides Pinnacle III's clients with expertise in strategic planning, development and management of ASCs, diagnostic imaging and physical rehabilitation services.

Joyce Deno. Ms. Deno is the COO, Eastern region, for Regent Surgical Health. Before joining Regent, she served as the executive director of Loveland (Colo.) Surgery Center and worked for HealthSouth as a regional director of quality improvement and as an administrator.

Ann S. Deters, MBA, CPA. Ms. Deters is CEO and co-founder of Vantage Technology, which provides cataract outsourcing to hospitals and ASCs throughout the Midwest, South and Southeast. She also started 7D, a consulting and management service company for ASCs.

Stephen F. Dobias, CPA. Mr. Dobias is a principal with Somerset CPAs and a member of Somerset's Health Care Team. His work focuses on providing services for physician groups and hospital systems. Mr. Dobias initiated the ancillary services group that facilitates the feasibility, organization, funding and setup of operations of ASCs and medical office buildings.

Stephanie Ellis, RN, CPC. Ms. Ellis is the president of Ellis Medical Consulting and has worked with most surgical specialties, assisting ASCs, physician practices, hospitals and outpatient clinics around the country in her consulting work. Prior to starting the company, she worked as the operations manager of a national case management services placement firm and served as a case manager and utilization review nurse.

Christian Ellison. Mr. Ellison is the vice president of business development for Health Inventures. He has formed numerous physician/hospital joint-venture partnerships and been instrumental in building Health Inventures' business domestically and internationally during his 10 years with the company. Mr. Ellison was previously a senior consultant to the healthcare industry with Arthur Andersen.

Judith English. Ms. English is the vice president of business operations and a partner with Serbin Surgery Center Billing and Surgery Consultants of America. She has more than 35 years of experience in the healthcare industry and has assisted in the development and management of multiple ASCs.

James "Jay" Etheridge, Jr. Mr. Etheridge is the CEO of Implantable Provider Group. With a career in the medical industry, first pharmaceutical and then medical devices, he has a proven track record as a results-oriented senior level operating executive with a keen understanding of the implantable medical device industry.

Peter Fatianow. Mr. Fatianow is the director of mergers and acquisitions for Health Inventures. He began his career on Wall Street at Credit Suisse First Boston in New York in healthcare investment banking and has worked on dozens of domestic and international transactions worth billions of dollars.

John Fitz, MD. Dr. Fitz is the founder of The Surgery Center of Farmington (Mo.), a 10-year-old, multi-specialty surgery center, where he works as a physician. Under his guidance, the center has operated under a very successful rural area surgery center model.

Robin J. Fowler, MD. Dr. Fowler is the medical director of the Interventional Spine and Pain Management Center in Atlanta, Ga., and is also an active staff member at the Newton and Rockdale Medical Centers. He is board-certified by the American Society of Anesthesia and has performed more than 5,000 epidurals and revolutionary pain procedures that have improved the quality of life for thousands of patients.

Richard E. Francis, Jr. Mr. Francis serves as president and CEO of Symbion and has helped transform Symbion into one of the country's leading ASC management and development firms. Prior to co-founding Symbion, he served as president and CEO of UniPhy and was the senior vice president of development for HealthTrust.

Jon H. Friesen. Mr. Friesen is the president of Foundation Surgery Affiliates. He previously served as the chief financial and strategic planning officer of FSA's parent company, Foundation HealthCare Affiliates. Mr. Friesen is a graduate of Friends University with a double major in accounting and business administration. He has spent the last 20 years in the healthcare industry where he has served in such progressive management positions as CFO, COO and CEO of various managed healthcare organizations.

Tom N. Galouzis, MD, FACS. Dr. Galouzis is president and CEO of the Nikitis Resource Group. He is also a practicing general surgeon in northwest Indiana and previously served as associate staff in the department of surgery as a clinical instructor of surgery at the University of Chicago Pritzker School of Medicine.

Nap Gary. Mr. Gary is the president, Eastern region, for Regent Surgical Health. He has worked in the healthcare industry for 23 years and previously served as senior vice president and assistant corporate counsel for HealthSouth Mr. Gary currently serves on the board of directors for the ASC Association.

Ann Geier, RN, MS, CNOR, CASC. Ms. Geier is a senior vice president of operations for Ambulatory Surgical Centers of America. She has 20 years of experience in all aspects of ASC operations, including perioperative services, and has served as a clinical coordinator, administrator and chief operating officer of a multi-specialty ASC.

David S. George, MD. Dr. George is a board-certified ophthalmologist at the Eye MDs (of George, Strickler and Lazer) and specializes in topical cataract surgery, glaucoma and diabetic eye care. He is a member of the board of directors for the ASC Association and the Outpatient Ophthalmic Surgery Society.

Eric Gleichman. Mr. Gleichman is the executive vice president and chief development officer of Foundation Surgery Affiliates. Prior to this role, Mr. Gleichman had served as FSA's vice president of legal services since joining the company in 2003. Mr. Gleichman has 17 years of progressively responsible healthcare experience on both the payor and the provider sides, most notably in strategic development, contract negotiations, and mergers and acquisitions. Mr. Gleichman possesses a variety of experience in healthcare law, managed care contracting, company startups and healthcare operations.

John J. Goehle. Mr. Goehle is the COO and partner in Ambulatory Healthcare Strategies, which specializes in providing high-level strategic, administrative and financial oversight services to ASCs. A 20-year veteran of the industry and former FASA board member, he is a nationally recognized industry leader, a frequent speaker at conferences and the author of three books on the ASC industry.

Brett Gosney. Mr. Gosney is a founder and CEO of the Animas Surgical Hospital in Durango, Colo., the first physician-owned hospital in Colorado. He is the current president of the Physician Hospitals of America, and is the director of development for Symbion. Mr. Gosney has a diverse background in healthcare spanning more than 25 years.

George Goodwin. Mr. Goodwin is senior vice president and chief development officer for Symbion and handles the acquisitions and mergers of many different providers at the company. Before joining Symbion, he served as president and CEO of American Pathology Resources, a single-specialty physician practice management company.

Russ Greene, RN. Mr. Greene has more than 28 years of experience in surgery, hospital and ASC management and consulting services, including more than three years as COO of U.S. Orthopedics and one year as vice president of operations for National Surgical Hospitals. He is currently the CEO of Physicians' Surgery Center in Fayetteville, Ark., a specialty hospital which performs spine surgeries, orthopedics, pain management and podiatry.

Mike Griffin, CPA, MBA. Mr. Griffin is CFO for Prexus Health. He has more than 20 years of healthcare experience consisting of auditing hospitals with Peat Marwick to operating as controller and CFO for hospitals. Mr. Griffin has extensive experience in the design and building of numerous healthcare facilities, including hospital operating rooms, angiography suites, laboratories, freestanding medical office buildings, cancer centers and ASCs.

Michael Guarino. Mr. Guarino has been in the surgery center business for more than a decade and currently works at the Orthopedic Surgery Center of Clearwater (Fla.). An accountant by trade (and former IRS employee), he has been successful in working the day-to-day operations of ASCs, along with long-term planning. Mr. Guarino currently serves as president of Florida Society of Ambulatory Surgical Centers and as a board member of the ASC Association.

John Hajjar, MD, FACS, MBA. Dr. Hajjar is the chief medical officer and chairman of Surgem and is a urologist. He developed one of the first ASCs in New Jersey at Fair Lawn and has been managing facilities profitably since 1992. Dr. Hajjar also operates one of the largest private practices of urology in the United States.

David Hall. Mr. Hall is chairman at Titan Health, an ASC management company; director of Cogent Healthcare, a hospitalist staffing company; and a board member for the National Pain Foundation. He has more than 25 years of experience in the healthcare industry.

Mark Hall. Mr. Hall is managing partner of Wasatch Healthcare Management, a healthcare management and development company. Mr. Hall has 23 years of experience creating win-win physician empowerment opportunities and ancillary income strategies.

Thomas S. Hall. Mr. Hall is president, CEO and chairman of NovaMed. Previously, he served as president and COO of Matria Healthcare and president and CEO of TSH & Associates, an independent consulting and management services company.

David Hamilton. Mr. Hamilton is the president and CEO of Mnet Financial, based in Aliso Viejo, Calif., and has become a trusted name within healthcare collections for ASCs, imaging centers and outpatient hospitals. Since 1999, he has assisted more than 300 facilities with collections. Prior to coming to Mnet, Mr. Hamilton began his receivable management career with CitiBank.

Holly Hampe. Ms. Hampe is the quality director of Amerinet, a leading group purchasing organization. She has more than 25 years of experience in the healthcare industry, including hospital administration positions in quality, risk management, patient safety, regulatory affairs and nursing.

Kenneth N. Hancock. Mr. Hancock is the president and chief development officer of Meridian Surgical Partners. He has more than 20 years of experience in the healthcare industry developing ASCs and surgical hospitals, and recruiting and building relationships with physicians. He is the former executive vice president, chief development officer and co-founder of Surgical Alliance Corporation.

Richard Hanley. Mr. Hanley is the president, CEO and founder of Health Inventures. He has held leadership positions in healthcare for the past 20 years and, throughout his career, has been instrumental in creating more than 100 successful outpatient ventures. He is a leading national advocate for ASCs and is a board member for the Ambulatory Surgery Center Foundation.

Andrew Hayek. Mr. Hayek is the president and CEO of Surgical Care Affiliates, which operates more than 130 ASCs and surgical hospitals nationwide. Prior to joining SCA in May 2008, he served as president of VillageHealth, an insurance and care management company owned by DaVita, one of the nation's leading independent provider of kidney dialysis services.

Allen D. Hecht, MBA. Mr. Hecht is president of Health Resources International, which is engaged in developing ambulatory care programs in new and emerging markets. Previously, he served as executive vice president and COO of the ASC Network, a national surgical center company formed as a result of a merger between SunSurgery and Premier Ambulatory Systems of Pasadena, Calif.

Edward P. Hetrick. Mr. Hetrick is the president of Facility Development & Management and has more than 20 years of experience in the healthcare industry. Before founding FDM, he was vice president in Healthcare Facilities Management, a firm that specializes in reimbursement consulting for physicians and outpatient hospital accounts, a position which he still holds today.

Jeremy Hogue, JD, MBA. Mr. Hogue is the president, CEO and co-founder of Sovereign Healthcare, a privately-held company based in Orange County, Calif., that partners with physicians for the ownership and management of ASCs. He previously served as vice president of Audax Group and was an associate with Lehman Brothers where he was a member of the firm's Investment Banking Group in their New York office

Christopher Holden. Mr. Holden is the president, CEO and director of AmSurg. He has more than 21 years of experience in the healthcare industry, most of which he has spent in multi-facility and multi-market healthcare management. Before joining AmSurg, Mr. Holden served as senior vice president and a division president of Triad Hospitals.

Tom Jacobs. Mr. Jacobs is CEO and co-founder of MedHQ, a business office solutions provider for outpatient healthcare businesses. As CEO he has led MedHQ from start-up to a profitable company that operates in 10 states.

Richard K. Jacques. Mr. Jacques is president and CEO of Covenant Surgical Partners and has more than 15 years in the ASC industry, including holding senior management positions with both public and private healthcare companies. He previously served as president and director of Surgical Health Group, a developer and manager of single- and limited-specialty surgery centers.

Marion K. Jenkins, PhD. Dr. Jenkins is the founder and CEO of QSE Technologies. He has held many strategic C-level positions in technology, communications and operations, including COO of NAREX, which provides artificial intelligence-based software for financial service companies; executive vice president and chief technology officer at FirstWorld Communications, a DSL, Internet services, hosting and data center provider; and vice president of sales operations at Qwest Communications.

Beth Ann Johnson, RN. Ms. Johnson joined Blue Chip Surgical Center Partners from LCA Vision where she was vice president of operations responsible for the growth of the ophthalmic surgery center business. Previously, she was with Aetna as a director of provider relations, recruitment and contracting. Ms. Johnson has extensive experience in the development and ongoing management of hospital-owned, minimally-invasive surgery centers.

Douglas V. Johnson, MBA. MR. Johnson is COO of RMC Medstone Capital and serves on the board of directors of Physician Hospitals of America as its immediate past president. He is a seasoned professional and administrator with more than 35 years in the healthcare industry. He has worked in many capacities in the industry and at all levels in both freestanding as well as system institutions. He has held leadership positions in both rural and urban healthcare organizations.

Michael S. Jones. Mr. Jones is the president, COO and one of the original founders of Implantable Provider Group. Prior to IPG, he assembled a team of investors to open outpatient cardiac facilities. This entity operated for more than a decade and led regional sales consulting and business development efforts for a hospital services company and for a division of Hewlett Packard.

Sandra J. Jones, BA, MSM, MBA. Ms. Jones is a principal of Ambulatory Strategies and serves on the board of the ASC Association. She has 30 years of experience in healthcare and has overseen or contributed to the successful establishment and development of more than 75 ASCs nationwide.

Mike Karnes. Mr. Karnes is the CFO and co-founder of Regent Surgical Health. He recently served as chief administrative officer of GTCR-Golder Rauner, one of the nation's largest and oldest venture capital firms. He also has been CFO for Prime Group Realty Trust and Balcor, a subsidiary of American Express.

I. Naya Kehayes, MPH. Ms. Kehayes is the founder, managing member and CEO of Eveia Health Consulting & Management. She is a nationally recognized expert in reimbursement, managed care and insurance contract negotiations for ASCs and surgical practices. Ms. Kehayes is a former president of the Washington Ambulatory Surgery Center Association and remains an active board member.

R. Matthew Kilton, MBA, MHA. Mr. Kilton is a member and COO of Eveia Health Consulting & Management. His expertise is in ASC and surgical practice managed care contract negotiations and reimbursement analysis. Prior to joining Eveia, he was the CEO of Valley Orthopedic Associates and Valley Orthopedic Surgery Center, a division of Proliance Surgeons in Renton, Wash.

Beverly Kirchner, RN, BSN, CNOR, CASC. Ms. Kirchner is the owner and CEO of Genesee Associates. She served on the Association of periOperative Registered Nurses board of directors, has authored many AORN manuals and leads research in collaboration with the organization on violence in the nursing workplace.

Susan Kizirian, BSN, RN, MBA. Ms. Kizirian is the COO of Ambulatory Surgical Centers of America and has more than 20 years of experience in all aspects of ASC operations. She most recently worked with the University of Virginia Health System ASC program. Ms. Kizirian has served as an executive director and a consultant for ASC management and development.

Marc E. Koch, MD, MBA. Dr. Koch is the president and CEO of Somnia, where he focuses on furthering the company's mission of offering high-quality and cost-efficient anesthesia solutions to hospitals, ASCs and office-based facilities nationwide. He co-founded the medical practice Resource Anesthesiology Associates in 1996.

Greg Koonsman, CPA. Mr. Koonsman is a senior partner and founder of VMG Health. He specializes in providing valuation, transaction advisory, feasibility and operational consulting services to the firm's healthcare clients. Mr. Koonsman has acted as an advisor to more than 150 hospitals, 300 surgery centers, 20 HMOs, 1,500 physician organization transactions and a variety of other healthcare entities in the United States.

Catherine W. Kowalski, RN. Ms. Kowalski is the executive vice president and COO for Meridian Surgical Partners. She has more than 20 years of experience in the healthcare industry and is the former executive vice president of operations and co-founder of Surgical Alliance Corp., a specialty surgical hospital company. Ms. Kowalski is also a registered nurse.

Donald Kramer, MD. With a medical practice spanning more than 25 years, Dr. Kramer has developed several successful ASCs in the Houston market. He founded Northstar Healthcare, which develops and, in conjunction with physician partners, owns and operates significant ASCs in concentrated markets. Dr. Kramer is president and medical director for Northstar.

Michael Kulczycki. Mr. Kulczycki is the executive director of Ambulatory Care Accreditation for the Joint Commission. In this role he directs all activities related to business development for the Ambulatory Care and Office-Based Surgery Accreditation Programs. These two programs now cover more than 1,400 accredited organizations nationwide.

Brent Lambert, MD. Dr. Lambert is the chairman of the board and a founder of Ambulatory Surgical Centers of America. He is a board-certified ophthalmologist and responsible for business development at ASCOA. Prior to the founding of ASCOA, Dr. Lambert was the developer and owner of three ASCs, including the first eye ASC in New England. He is on the board of the ASC Associtaion.

Luke Lambert. Mr. Lambert is the CEO of Ambulatory Surgical Centers of America and has a background in finance, strategy and operations. Before joining ASCOA as its CFO in 1997, he worked in equity research for Smith Barney and has management consulting experience with Booz, Allen & Hamilton and Ernst & Young.

Peter Laterza, JD, MBA. Mr. Laterza is the chief legal officer for Prexus Health Partners where he is responsible for general supervision of legal and regulatory affairs. He has more than 20 years of progressive experience as a lawyer and business executive, which includes extensive experience advising healthcare clients, including five years service as vice president and general counsel for Omnicare.

John W. Lawrence, Jr. Mr. Lawrence is the senior vice president and general counsel for NovaMed and has served as NovaMed's Corporate Counsel since 1996. He is responsible for all legal matters relating to NovaMed and its operations, including structuring and negotiating all development transactions. Mr. Lawrence's background is in general corporate practice with a focus in mergers and acquisitions.

Jeff Leland. Mr. Leland is a managing partner with Blue Chip Surgical Center Partners, which focuses on developing spine, ENT, sleep, radiosurgery and multi-specialty ASCs. He previously served as executive director for Lutheran General Medical Group, a 260-physician, multi-specialty medical group located in Chicago. Mr. Leland was once a senior-level executive with Advocate Health Care in Chicago and was responsible for both business development and Advocate's 225,000-member health plan.

Douglas B. Lewis, JD. Mr. Lewis is the managing director for Physicians Capital. Using his diverse and in-depth healthcare industry experience, he is responsible for business development. Formerly an HCA hospital administrator and vice president of development, Mr. Lewis has completed more than 30 development projects in the not-for-profit sector.

Mike Lipomi, MSHA. Mr. Lipomi is the president of RMC Medstone Capital and has more than 30 years of experience in hospital and ambulatory facility management. At RMC Medstone, he and a team of experts cover all aspects of healthcare facility development, conversion and management with RM Crowe's real estate professionals. Prior to joining RMC, Mr. Lipomi was CEO of Stanislaus Surgical Hospital in Modesto, Calif., which he grew from a small surgery center into one of the nations leading specialty hospitals.

Rodney H. Lunn. Mr. Lunn is the principal of the Surgical Health Group. Over the past 17 years, he has developed more than 150 ASCs throughout the United States. He is often considered the original pioneer in taking the concept of ASCs and transforming it into a practical, successful business model in dozens of states.

James J. Lynch, MD, FACS. Dr. Lynch is the president, founder and CEO of SpineNevada based in Reno, Nev., and he also serves as the director, spine service, for Regent Surgical Health. Dr. Lynch is a board-certified neurological surgeon who specializes in complex spine surgery, cervical

disorders, degenerative spine, spinal deformities, trauma, tumor infection and minimally invasive spine surgery. Dr. Lynch treats patients across Nevada and Northern California.

Rob McCarville, MPA. Mr. McCarville is a principle with Medical Consulting Group. He has an extensive portfolio in the field of healthcare facility management, administration and strategy. Before joining the MCG consulting team, Mr. McCarville was responsible for overseeing 16 separate physician practices, building a strong reputation by developing innovative strategies to increase profitability.

Dawn Q. McLane, RN, MSA, CASC, CNOR. Ms. McLane serves as chief development officer for Nikitis Resource Group. She was formerly a vice president for National Surgical Care in Chicago. Ms. McLane has worked in the hospital setting as director of surgical services and as a staff nurse in surgery, ER and OB.

Tom Mallon. Tom Mallon is a co-founder and CEO of Regent Surgical Health, which specializes in working with physician and hospital partners in the development, management and turnaround of surgery centers and specialty hospitals. Before founding Regent, he served as a founding member and remains a general partner with Gryffindor Capital Partners, a Chicago-based venture-capital fund.

Ajay Mangal, MD, MBA. Dr. Mangal is the founder, CEO and a board member of Prexus Health Partners and is also a board-certified ENT physician. As a hands-on executive at Prexus, Dr. Mangal has been instrumental in developing ASCs and assisting existing centers and hospitals to prosper. He is on staff at Butler County Medical Center, Fort Hamilton, Mercy Fairfield and Cincinnati Children's Hospitals.

Laxmaiah Manchikanti, MD. Dr. Manchikanti is the medical director of the Pain Management Center of Paducah (Ky.) and Ambulatory Surgery Center in Paducah. He is the CEO and chairman of the board of the American Society of Inteventional Pain Physicians. Through his work with various organizations, Dr. Manchikanti has been instrumental in the preservation of interventional pain management through specialty designation, mandatory Carrier Advisory Committee representation, reimbursement and the passage of NASPER.

Roger Manning. Mr. Manning is the founder and president of the Manning Search Group which serves more than 100 national and international banking/financial institutions, construction industry companies, healthcare/medical services organizations and medical equipment/device manufacturers. He has more than 25 years of healthcare operations and sales management experience.

Tyler Marsh. Mr. Marsh is co-owner of Affiliated Credit Services and has specialized in healthcare debt collections for the past 9 years. He leads the business development unit at ACS and has been responsible for expansion into several states including California, Florida, Illinois, New Mexico, Nevada and Oregon providing collection services for ASCs, hospital systems and physician groups. Mr. Marsh is active in several surgery center associations and was honored to receive the Circle of Excellence Award for corporate service from the Colorado Ambulatory Surgery Center Association earlier this year.

John Martin. Mr. Martin is the CEO of OrthoIndy, the largest private, full-service orthopedic practice in the Midwest and one of the largest in the country. His practice also operates Indiana Orthopedic Hospital and Indiana Orthopedic Surgery Center in Indianapolis.

Sarah Martin, RN, CASC. Ms. Martin is a regional vice president for Meridian Surgical Partners. She has close to 30 years of healthcare experience, focusing in the ambulatory surgery area for the past decade. Prior to joining Meridian, Ms. Martin was the regional director of ASCs for Universal Health Services where she managed both ASCs and specialty hospitals.

Todd J. Mello, ASA, AVA, MBA. Mr. Mello is a principal and co-founder of HealthCare Appraisers and manages the firm's Colorado office. He has 18 years of healthcare finance and valuation experience. Mr. Mello is an accredited senior appraiser, accredited valuation analyst and holds an MBA in finance and accounting. He is a frequent speaker and author on healthcare valuation topics.

Melody Mena, RN, CNOR. Ms. Mena is director of surgical services for Southern Regional Health System in south metro Atlanta, and Spivey Station Surgery Center in Jonesboro, Ga. She began her career as an x-ray technician, graduated in 1995 as a nurse and went straight to the OR. She then ran medical consulting firms for several years. In 2006, Ms. Mena became director of surgical services for the former Surgery Center at Mt. Zion (now Spivey Station). Her success there led to additional responsibilities as she became director of surgical services for the entire Southern Regional Health System in 2008. Ms. Mena recently oversaw the development of the new Spivey Station location, a state-of-the-art, technologically-advanced facility.

Keith Metz, MD, JD, MSA. Dr. Metz is a practicing clinical anesthesiologist and medical director at Great Lakes Surgical Center in Southfield, Mich. He is on the board of directors for the ASC Association.

Thomas A. Michaud, CPA. Mr. Michaud is the CEO and chairman of the board of Foundation Surgery *Affiliates*. Before founding FSA, he held the positions of COO and CFO of a regional surgery center management company. Mr. Michaud previously served as a staff accountant for Ernst & Young.

Evelyn S. Miller, CPA. Ms. Miller is the vice president of development for United Surgical Partners International. Before joining USPI, she was executive vice president of Medway Health Systems, overseeing the financial operations of its medical clinics.

T.K. Miller, MD. Dr. Miller is the medical director at Roanoke (Va.) Ambulatory Surgery Center and physician with the Roanoke Orthopedic Center. He has specialty experience in sports medicine, arthroscopy and knee and shoulder reconstruction.

Kristián Mineau. Mr. Mineau is the president of Constitution Surgery Centers, based in Newington, Conn. He has served as administrator at several of the company's surgery centers, including the Stamford (Conn.) Eye Surgery Center.

Amy Mowles. Ms. Mowles is president and CEO of Mowles Medical Management. She has successfully guided numerous new ventures and established ASCs and physician practices through the complicated maze of regulations, licensing, certification and accreditation processes.

Tom Mulhern, MBA. Mr. Mulhern is the executive director of Limestone Medical Center, a large medical office building complex and ASC in Wilmington, Del. He has been a leader in the development of ambulatory surgical services and as an advocate for the industry.

James E. Mutrie. Mr. Mutrie serves as assistant general counsel and compliance officer for United Surgical Partners International, an owner and operator of more than 165 surgery centers and surgical hospitals in the United States and the United Kingdom. In his position, Mr. Mutrie is responsible for legal, governance and corporate compliance matters at USPI's facilities. Prior to joining USPI, he was in the corporate and securities section at Vinson & Elkins in Dallas.

Charlie Neal. Mr. Neal is the COO of HealthMark Partners. He was CEO of Alliance Surgery before its merger with HealthMark and was formerly with Symbion where he was president of the multi-specialty group that managed 47 ASCs in 17 states. He also served as the CEO of various hospitals in Georgia and Florida for HCA.

David Odell, CPA. Mr. Odell leads finance and partnership management for MedBridge Development and serves as president. In addition, he is executive vice president and CFO of TynanGroup.

Jon O'Sullivan. Mr. O'Sullivan is a senior principal and founding member of VMG Health where he provides financial valuation, joint-venture development and transaction advisory services exclusively in healthcare. He has performed extensive engagements in facilities including acute care and specialty hospitals, ASCs, imaging centers, cath labs, radiation therapy, dialysis centers and physician organizations.

Scott Palmer. Mr. Palmer is the president and COO of the ambulatory service center division of SourceMedical. He has more than 25 years of experience working with several companies offering services and business solutions for outpatient healthcare facilities.

Michael Pankey, RN, MBA. Mr. Pankey is the administrator of the Ambulatory Surgery Center of Spartanburg (S.C.). Before coming to the ASC of Spartanburg, he served as administrator and clinical resources manager at different locations. Mr. Pankey also served as the president of the South Carolina Ambulatory Surgery Center Association.

Matthew Parra. Mr. Parra is a vice president of acquisitions and development for Ambulatory Surgical Centers of America. Before joining ASCOA, he served as a senior business development manager at a Fortune 100 company, focusing on document management and imaging solutions.

Richard D. Pence. Mr. Pence is president and COO of National Surgical Care and leads the development and management of the company's surgical centers. Before co-founding NSC, he served as executive vice president and COO of MAGELLA Healthcare, COO for National Surgery Centers and as controller and vice president for Medical Care International.

Jeffrey E. Péo. Mr. Péo is a vice president of acquisitions and development for Ambulatory Surgical Centers of America. Before joining ASCOA, he ran a knowledge management and information technology consulting division for a Fortune 100 company.

Thomas J. Pliura, MD, JD. Dr. Pliura is a doctor, lawyer and the founder and manager of several ASCs. Additionally, he is the founder of zChart EMR, an electronic medical records related company.

John Poisson. Mr. Poisson is the executive vice president and strategic partnerships officer of Physicians Endoscopy, the leading company in the development and management of freestanding endoscopic ASCs. Prior to joining PE, he had more than 14 years of experience in the healthcare field, specifically focused on medical service outsourcing.

John Rex-Waller. Mr. Rex-Waller is the chairman, president and CEO of National Surgical Hospitals. He has also served as the CFO of Hawk Medical Supply and previously was the CFO and a co-founder of National Surgery Centers, which was one the largest independent owner and operator of ASCs in the country.

Lisa Rock. Ms. Rock is the president and CEO of National Medical Billing Services, which specializes in freestanding outpatient surgery center coding and billing. She has been in the healthcare field for 23 years.

Jay Rom, MBA, CPA. Mr. Rom is the president of Blue Chip Surgical Partners. Before joining Blue Chip, he served as CEO of a cardiology group in Cincinnati with 15 physicians and was vice president for physician services of the Franciscan Health System, where he was responsible for a 60-physician multi-specialty group.

Kenneth Rosenquest. Mr. Rosenquest is the vice president of operations at Constitution

Surgery Centers, based in Newington, Conn. He has served as administrator at several of the company's surgery centers, including the Greenwich (Conn.) Endoscopy Center.

Dan Saale. Mr. Saale is the executive vice president and CFO of Nueterra Healthcare. He oversees all the financial activities of the company and directs the financial services within each of Nueterra's physician partnership ventures.

Karen Sablyak. Ms. Sablyak is the CFO and executive vice president of management services at Physicians Endoscopy. She has 10 years of experience in healthcare finance and business operations. Prior to joining PE, Ms. Sablyak worked as a vice president of practice management for Allegheny University Hospitals in Pittsburgh, Pa.

Donna St. Louis. Ms. St. Louis currently serves as a vice president for diagnostics and outpatient services for BayCare Health System and is on the board of the ASC Association. Before joining BayCare, she was a group president for Symbion and responsible for more than 45 ASCs.

Molly Sandvig, JD. Ms. Sandvig is the executive director for the Physician Hospitals of America. In this role she leads the organization's day-to-day business and operational functions and directs PHA's membership recruitment, public relations and political advocacy efforts.

D. Jeffrey Sapp. Mr. Sapp is the executive vice president of ASC operations for Surgis. He has 17 years of experience in healthcare, having operated numerous ASC and physician practices. Mr. Sapp was the founder and CEO of Innovative Surgical Solutions which merged with Surginet to form Surgis.

John Schario, MBA. Mr. Schario is CEO of Nueterra Healthcare and brings together the extensive resources that let Nueterra develop, operate and nurture ambulatory care facilities including ASCs and surgical hospitals, and other ambulatory care facilities created through partnerships. Mr. Schario's managerial background includes the development and operation of surgery centers, imaging facilities and occupational medicine clinics.

John R. Seitz. Mr. Seitz is co-founder, chairman and CEO of Ambulatory Surgical Group and oversees business development, the operational and financial management of all ASCs and central business office services. For more than 25 years, he has focused in the healthcare industry and is widely recognized in the ASC industry as a developer and manager of de novo ASC projects.

Bob Scheller, Jr., CPA, CASC. Mr. Scheller is the COO of the Nikitis Resource Group. In the past 15 years, he has been involved in the development and management of more than 50 surgery centers. He is currently responsible for nationwide development, management and consulting services for NRG.

Caryl Serbin, RN, BSN, LHRM. Ms. Serbin is the president and founder of Surgery Consultants of America and Serbin Surgery Center Billing. She has more than 25 years of experience in the healthcare industry, with the last 18 years spent in ambulatory surgery administration and consulting.

David Shapiro, MD, CPHRM, LHRM, CHC. Dr. Shapiro is a partner in Ambulatory Surgery Company, an ASC consulting firm, and is chair of the Ambulatory Surgery Foundation. He is a Florida-based anesthesiologist. Previously, Dr. Shapiro was senior vice president of medical affairs for Surgis, an ASC management company, serving as the corporate medical director for more than 20 facilities.

Jeff Simmons. Mr. Simmons is the president, Western region, of Regent Surgical Health and has more than 20 years in the healthcare industry. He served as vice president of marketing for American Medical International and founded the Immune Suppressed Institute to serve HIV patients. Mr. Simmons also founded and served as executive vice president of IntensiCare, a venture-financed hospitalist company.

Sheldon S. Sones, RPh, FASCP. Mr. Sones is president of Sheldon S. Sones and Associates, a pharmacy and accreditation consulting firm based in Newington, Conn. Established in 1985, the group, serving more than 100 sites in five states, specializes in safe medication management and pharmacy consulting to freestanding and hospital-based ambulatory surgical, endoscopy and renal dialysis centers, with expertise in accreditation success.

Bill Southwick. Mr. Southwick is president and CEO of HealthMark Partners. He is chiefly responsible for ASC turnaround strategies and creative joint-venture structures that have enabled HMP to partner with both physicians and hospitals in developing new or taking over underperforming facilities.

Kenny Spitler. Mr. Spitler serves as senior vice president of development for HealthMark Partners and has more than 20 years in healthcare business development. He is responsible for all aspects of development including acquisitions, de novo projects and physician syndications. He also serves as head of marketing and partners in the role of vendor relations and physician recruiting.

Donald E. Steen. Mr. Steen founded United Surgical Partners International in Feb. 1998 and served as its CEO until April 2004. He continues to serve as chairman of the board of directors and the executive committee.

Debra Saxton Stinchcomb, RN, BSN, CASC. Ms. Stinchcomb is the director of operations preparation and transition management for Health Inventures. She has more than 25 years of healthcare experience, including development, clinical, administrative, operations and sales. The last 15 years have been focused exclusively in the ASC industry with a particular emphasis on multispecialty centers. In that time, she has held positions as an ASC administrator, assistant regional vice president and regional vice president.

Alsie Sydness-Fitzgerald, RN, CASC. Ms. Sydness-Fitzgerald is the chair of the ASC Association and participated in the development of the Certified Administrator Surgery Center credential. She has been involved in the ASC industry since 1976 and has built up outstanding experience in the

clinical, business and management aspects of the ASC industry as the director of clinical operations for HCA's ambulatory surgery division.

Barry Tanner. Mr. Tanner is the president and CEO of Physicians Endoscopy. Before joining PE, he was the co-founder, CFO and COO of Navix Radiology Systems of Miami. Mr. Tanner also served as COO of HealthInfusion, a Miami-based provider of home intravenous therapy services.

Larry Taylor. Mr. Taylor is the president, CEO, founder and developer of Practice Partners in Healthcare. He has 25 years of experience in healthcare delivery, management and physician relations. Prior to founding Practice Partners, he served as president and COO of the largest provider of ASC services in the United States.

Larry Teuber, MD. Dr. Teuber is the founder and physician executive of Black Hills Surgery Center, one of the country's most successful small surgical hospitals, and is a board-certified neurological surgeon. He is president of Medical Facilities Corp., and the founder and managing partner of The Spine Center in Rapid Falls, S.D.

David Thoene. Mr. Thoene is the vice president of business development for Titan Health. He has 24 years of experience consulting for and developing ASCs along the West Coast. His background and expertise includes the turnkey development of ASCs, hospitals and medical office buildings. He has developed surgery center investments for physicians, academic medical centers and health systems.

John T. Thomas. Mr. Thomas is the executive vice president of medical facilities for Health Care REIT, is an equity real estate investment trust that invests across the full spectrum of senior housing and healthcare real estate. He served as president and chief development officer of Cirrus Health from July 2005-Jan. 2009.

George Tinawi, MD. Dr. Tinawi is the president of Surgery Center Partners and its management subsidiary, Endoscopy Management Services Organization, which he founded with Samuel Marcus, MD. He was a practicing physician in Mountain View, Calif., from 1986-2004. As a practicing physician, Dr. Tinawi developed a clear understanding of the business issues faced by physicians in today's challenging environment.

John Vick. Mr. Vick is the president and founder of ASCs, Inc., and has participated in more than 200 transactions on behalf of physician-owned ASCs, GI centers, heart centers, surgical hospitals and the associated real estate. He has extensive experience in surgery center development, business planning, operations, valuations, sales, purchases and mergers and acquisitions.

George A. Violin, MD. Dr. Violin is a board-certified ophthalmologist and one of the three founding principals of Ambulatory Surgical Centers of America. He has owned and developed two ASCs and a large, multiple-office ophthalmic practice in eastern Massachusetts.

Christine Washick. Ms. Washick is the director of operations at the Orthopedic & Sports Surgery Center in Appleton, Wis. Ms. Washick was instrumental in a number of initiatives, most notably the center's extended-stay joint replacement program, and significant case volume growth.

Michael Weaver. Mr. Weaver is a vice present of acquisitions and development at Symbion. He is a nationally recognized speaker on surgery center and physician-owned hospital acquisitions and development, and is a contributor to several national trade publications.

Robert Welti, MD. Dr. Welti is the corporate medical director and COO, Western region, for Regent Surgical Health. He previously served as the medical director and administrator of the Santa Barbara Surgery Center and also was affiliated with Santa Barbara Cottage Hospital for 20 years. His experience includes both hospital-based surgery centers and physician-owned surgery centers.

Robert Westergard, CPA. Mr. Westergard is the CFO of Ambulatory Surgery Centers of Amer-

ica. Before joining ASCOA, he worked as the controller for Truman Capital Advisors, a mortgage banking firm specializing in the securitization of sub-prime mortgage loan assets. Mr. Westergard has an additional eight years of finance and accounting experience in the software, chemical and healthcare industries.

William H. Wilcox. Mr. Wilcox serves as the president and CEO of United Surgical Partners International. Before joining USPI, he served as CEO of United Dental Care, president of the Surgery Group of HCA and president and CEO of the ambulatory surgery division of HCA.

David Woodrum. Mr. Woodrum is a co-founder and partner of Woodrum/Ambulatory Systems Development, an ASC management and development company. He provides clients with consultations in the areas of planning, management, finance, loss prevention, marketing, physician group practice management, executive recruitment and Joint Commission compliance. He previously served as executive vice president and COO of the American Hospital Association.

Thomas R. Yerden, MHA. Mr. Yerden is president and CEO of TRY Health Care Solutions. He was the founder and CEO of Aspen Healthcare before selling it to National Surgical Care. He has helped to plan, develop, open and manage more than 75 ASCs in 26 states.

Joe Zasa, JD. Mr. Zasa is the co-founder and managing partner of Woodrum/Ambulatory Systems Development and leads the company's Dallas office. He specializes in consummating strategic joint ownership arrangements with physicians, hospitals and strategic partners, as well as assisting the firm's clientele in raising capital to finance their ambulatory care requirements.

Robert Zasa. Mr. Zasa is a co-founder and partner at Woodrum/Ambulatory Systems Development. He is experienced in all phases of business development in multi-service ambulatory care facilities, group practices, ASCs and hospitals, including management, development, expansion, acquisition, ownership structuring and marketing.

J.A. Ziskind, JD, MBA, PhD. Mr. Ziskind is the founder and CEO of Global Surgical Partners, which focuses on developing and managing hospital/physician and physician-owned joint-ventured ASCs. He has been actively involved in Florida's healthcare industry over the past 35 years, having served as CEO of Cedars Medical Center and as a healthcare lawyer since 1984.

Greg Zoch. Mr. Zoch is a partner with Kaye/Bassman and has been involved with the marketing of healthcare organizations and services, and with the recruitment of healthcare professionals since 1990. His primary focus is on the strategic growth and staffing initiatives of client companies who develop, manage, consult with or own and operate ASCs and specialty hospitals throughout the United States.

Bryan Zowin. Mr. Zowin is the president of Physician Advantage, a healthcare management company based in Peoria, Ill. The company provides management services to a wide range of healthcare specialties including ASCs, anesthesia, orthopedics, urology, ENT, OB/GYN, facial plastic, pain management and primary care.

ASC Lawyers

There are several lawyers that really specialize in the ASC field. This includes teams at Waller Lansden Dortch & Davis; McDermott Will & Emery; Reed Smith; Nossaman; the team at McGuireWoods, which Scott Becker chairs; the team at Bass, Berry & Sims; and the team at Wilentz, Goldman and Spitzer. Rather than specifically naming ASC lawyers, we have decided to simply list some of the firms which have lawyers that really specialize in ASC work. ■

Core Trends in ASCs
(continued from page 1)

at surgery centers. Commonly, reductions are 5-7 percent as opposed to dramatic reductions.

A recent study conducted by the AAAHC Institute for Quality Improvement found that 60 percent of 1,000 participating surgery centers reported a decreased demand for services in the past 12 months.

The study found that both basic service and elective surgeries were affected. The five specialties that experienced the greatest decline were cosmetic and general plastic surgery (reported by 73 percent of facilities that offered this specialty), general surgery (72 percent), oral maxillofacial surgery (72 percent), facial, plastic and reconstructive surgery (71 percent) and plastic surgery (71 percent).

In addition, many ASCs are finding it difficult to add new physicians or to increase case volume in light of the economy. William Southwick, president and CEO of HealthMark Partners, says, "Without additional physician members to drive case volume, growth is likely to be anywhere between flat to down 5 percent. Higher deductibles and job loss inevitably will hamper growth from existing partners."

However, some centers are managing to maintain and increase their case volume. Luke Lambert, CEO of the Ambulatory Surgery Centers of America, says that his company's ASCs have been seeing 7 percent growth this year as compared to last year.

Marge Schillaci, administrator of the Surgery Center at Joliet (Ill.), says, "I purposely budgeted flat for 2009, expecting our volume to be impacted by the economy. In reality, we are experiencing a 15 percent increase in cases to date, especially GI. We are on track to perform nearly 340 GI cases this month. My guess is that we will continue to see an increase in our overall cases due to the fact that people are using their health insurance while they have it. We may see a decline in cases the second half of the year as people lose their jobs."

3. ASCs are seeing flat to slightly reduced reimbursement with less opportunities for big reimbursement. In the current market, surgery centers are seeing less big out-of-network payments from payors and less high paying commercial payors.

John Poisson, executive vice president and strategic partnerships officer for Physicians Endoscopy, says, "For GI, Medicare declined 6-7 percent on Jan. 1 for the most part; however, through strategic negotiations, the balance of the third-party payor community continues to provide negotiated increases which at this point offset the governmental declines."

Mr. Lambert says, "Out of network is seeing some curtailment in some markets. With contracted commercial payors, we continue to negotiate increased reimbursement."

4. Spine continues to move to ASCs with an increasingly positive impact on surgery centers overall. Spine procedures have been shown to be profitable for ASCs, and many centers have taken the opportunity to add spine to their centers when possible.

James Lynch, MD, director of spine services for Regent Surgical Health and chairman of SpineNevada and president of the Surgical Center of Reno (Nev.), says that recent advancements in technology, techniques and procedures have allowed surgeries, especially spine surgeries, to be performed in the outpatient setting that were once only available in the inpatient setting.

"The technological advances, coupled with the changes to reimbursement guidelines and levels, are propelling spine programs into ASCs, where they can have a central role in a center's operations," he says. "Currently, only about 5 percent of all spine surgeries are done outpatient. The improved technology, higher quality of care and improved patient outcomes — in tandem with the reimbursements — suggest spine programs could grow by 400 percent over the next five years [according to data published in the Future of Orthopedics report by the Healthcare Advisory Board.]"

In addition, Dr. Lynch says, "Patients, along with their families, appreciate having procedures done in a patient-focused environment."

Nancy Burden, director of BayCare Ambulatory Surgery Centers in Tampa Bay, Fla., says that her ASC is one that recently added spine — a specialty they had not done before.

Sue Sumpter, administrator of the Loveland (Colo.) Surgery Center, says that spine surgery can be a major income generator for an ASC. "More and more payors are realizing the financial benefit of allowing spine cases to be performed in an ASC setting," she says.

In addition to benefiting financially, spine procedures in the ASC setting can be beneficial to the patient, which can drive case volume. "In 2006, we completed an outcome study that looked at every spine case we completed from June 2003-Sept. 2006," Ms. Sumpter says. "This study reviewed 357 patients. Overall patient satisfaction was 98 percent. Postoperative pain control was superior compared to a hospital for a number of factors: from the initial pre-op preparation and education of the patient to the use of preemptive analgesia and regional analgesic techniques. We offer nearly one-on-one nursing care and post-op pain control is improved. Patient outcomes were excellent, with few complications."

If permitted by state law, having a convalescent care center or rehabilitation center attached to the center or nearby can make spine procedures a further asset to ASCs. Ms. Sumpter, whose ASC has a convalescent center, says, "Patients who have elected to have surgery at our center have recovered quicker, spent

less on surgical cost and experienced a greater level of satisfaction than those who elected to have surgery at a hospital. In addition, outside insurance audits have indicated a 60 percent cost savings in performing these surgical procedures at the ASC compared with local hospitals."

5. GI and orthopedic volumes remain generally fine to slightly down without huge negative impacts from the economy. Orthopedics is slightly down more than endoscopy. For both of these specialties, there seem to be significant geographic variations as to results, as some regions of the country are holding up better than others. This trend is generally aligned with the economics of the area.

Ms. Burden says, "We are finding a drop off in GI — sometimes at the point of the preadmission business call about co-pay and deductibles and some from the loss of procedures at the physician office. Some people are just not coming in for their 'routine' colonoscopies. Some, not all, of our GI docs are telling us that business in general is down for them."

Mr. Poisson has seen a different trend at his company's GI centers. "According to an assessment from accounting on Q1 2008 versus Q1 2009, the results were quite pleasant in that overall volumes are up 3 percent across our partnerships. The one area of weakness is the Midwest where a flat to negative 3 percent is in play across a variety of facilities."

Sandy Berreth, administrator of the Brainerd Lakes Surgery Center in Baxter, Minn., says, "My center has not noticed discernable change in elective orthopedics. I have been told that the community hospital [in our area] has noticed a decline in GI cases. One might have assumed that because many of those cases are Medicare patients — as are most ophthalmology cases — that the Medicare aged population is continuing to seek healthcare. However, I believe that the decrease in GI in this area is regional."

6. There has been a slow down in the growth of bariatrics procedures and a dampening in the pricing of bariatrics. Bariatrics is one specialty that has seen the number of procedures being performed slow in ASCs.

Tom Michaud, chairman and CEO of Foundation Surgery *Affiliates*, notes that while his company is not seeing a slowdown at this time, there is potential for a decline in bariatric procedures.

"As many of these are cash procedures, we expect, if unemployment continues to rise, that we will see a softening in this area," he says. "For those that continue to have employer-sponsored healthcare insurance, we are seeing more plans cover bariatric procedures on a 'medical necessity' basis. Again, if the economy continues to deteriorate, we expect more potential bariatric patients to 'delay' their procedure due to deductible/co-pay issues."

7. Ophthalmology seems to be doing fine. Many of the industry experts we asked agreed that their ophthalmology practices were stable in the current ASC market.

8. Pain management reimbursement and the total number of procedures seem to be holding up well. Pain management is currently holding steady, but a few experts see higher expenses and some movement back to the office setting as particular barriers for this specialty.

Julian Vaisman, MD, physician-owner of New England Pain Care in Peabody, Mass., says, "Facility fees are holding on, although Medicare cuts are expected next year. Although the reimbursement didn't change much, our expenses are on the rise: health insurance for employees and supplies."

Ms. Burden, however, finds that more pain procedures are moving to the office setting. She

says, "We find more and more pain procedures moving to the physician office primarily because of two things: 1) there is higher physician reimbursement in the office and 2) patient co-pay is much less in the office setting."

9. Cosmetic surgery appears down significantly. Certain types of cosmetic and plastic surgery procedures are down in this economy.

Dr. Daube says that this is a highly regional trend, and big cities are being hit hardest. "Big ticket procedures, like face lifts, are down in big cities," he says. "However, 'big city' procedures performed in small towns are stable because more people are willing to travel a few hours in order to spend less. What costs $15,000-$20,000 in the city may only cost $10,000 in a small town."

In addition, many cosmetic surgery patients are opting for nonsurgical procedures to "buy time" until they can afford to have the more expensive procedure, according to Dr. Daube. "Overall, the number of procedures is not down," he says, "but we are seeing movement from the big ticket surgical procedures to cheaper in-office procedures like injectables."

One interesting trend Dr. Daube has seen is the increase of high-end professionals scheduling appointments for consultations. "Since more and more professionals are now job hunting, they have the time to come in, and they want to look better for their job interviews," he says.

10. Great management together with the benchmarking of supply costs and the managing of staffing costs has become more important than ever. As it becomes increasingly important for surgery centers to watch their costs, having strong management who will implement and find new cost-saving measures is a necessity.

Mr. Poisson agrees that this strategy is important to helping ASCs thrive in the current market. He says, "Our own case studies show that on average our partnered centers enjoy 14 percent higher collections per procedure in comparison to peer facilities in local markets while benefiting from an approximately 25 percent reduction in medical supply costs. Together, this adds up to substantially healthier bottom lines without any negative impacts, in any way, on quality, safety or clinical excellence."

Dr. Daube notes that this trend is similar to how patients and physicians are handling their personal finances. "When things get lean, you start looking at every little detail," he says.

11. Negotiations with payors are becoming more challenging overall. This is highly dependent upon market and access issues. In some markets, payors are under more pressure to limit reimbursement; however, there continues to be opportunity to work with payors and enhance ASC contract rates if the ASC demonstrates a cost savings alternative. For example, if the ASC is offering a new line of business, especially spine and high-cost orthopedics, there is often an opportunity for substantial negotiation.

I. Naya Kehayes, managing principal and CEO of Eveia Health and Consulting Management, says, "Overall, in general, payors are not curtailing negotiations; payors continue to negotiate with ASCs, but it is certainly dependent upon market and access issues. There are some markets where payors have more pressure to limit increases. However, there continues to be opportunity to work with payors and enhance ASC contract rates if the ASC demonstrates a cost savings alternative. In fact, if the ASC is offering a new line of business, especially spine and high cost orthopedics, this is an opportunity for negotiation as well as other cases that can be moved from the hospital setting."

Mr. Poisson says, "Skilled payor contract negotiators and access to market data are really the only keys to success in today's market. These negotiations are one part facts/data, two parts the skilled art of negotiations."

One tactic some ASCs are taking when negotiating with payors is working out agreements for specific procedures rather than obtaining a flat rate increase. Rajiv Chopra, principal and chief financial officer for The C/N Group, says, "Gone are the days when an ASC can negotiate significant 'across the board' increases without resistance from the payors. However, we are finding that payors are very receptive to exploring reimbursement increases for specific procedures. The key is to educate the payors on procedure costs and also sell the ASC as a lower-cost alternative compared to hospital and other market competitors. We have had some recent success in this regard within the GYN specialty."

Some ASCs are taking steps to avoid or gain assistance in these complicated negotiations. Linda Peterson, CEO of Executive Solutions for Healthcare, notes that some physicians are looking to negotiate joint ventures with hospitals in their areas.

"Recently, the reason [to pursue a joint venture] is that the physicians want the hospital's more generous payor contracts," she says. "This has resulted in a different mindset regarding the percentage of ownership between hospital and physicians, as the payors typically won't look at using the hospital's more favored contracts unless the hospital has 'controlling interest,' which is typically related to 51 percent or more ownership. The challenge is that these physicians have been counseled in the past to push for more ownership in order to have more control. What we end up with, through these difficult negotiations, is an operating agreement that gives the physicians more control while preserving the superpowers the hospital needs to stay within Safe Harbors as well as the percentage needed to prove to the payors that they deserve the higher rates."

Ms. Peterson notes that during a recent negotiation, for one CPT code she saw a $588 facility fee proposed from a major payor with the non-affiliated contract versus a $2,700 fee from another major payor due to the hospital affiliation.

Some ASCs have seen an increase in insurance costs but no change in their reimbursement rates. Dr. Daube says, "Blue Cross in our area just increased insurance costs 15-20 percent, but we've seen no increase in our reimbursement."

12. Shifts in payor mix impact net revenue per case. As patients are faced with layoffs and potentially new jobs with new employers, there are substantial shifts in the payor mix which impact net revenue per case. In addition, there are increases in flexible spending accounts and high deductible benefits that require a larger portion of the overall payment to be from the patient. Hence, patient collections and upfront collections are becoming more critical.

Mr. Chopra notes that his company has seen an increase in distressed situations with patients as more of the responsibility for payment falls to them. "There is absolutely no question that this is a major concern for all healthcare providers given the current economic situation. Patients are considering other bills at this time, such as the mortgage or cell phone bill. Healthcare bills are often the last to get paid."

He notes that there is no solid solution at this time. "There is no silver bullet to address this challenge. We've tried to increase upfront collection and put such policies into place," he says.

Mr. Poisson notes that across the country, patients are facing higher financial liabilities even when in-network. "It is not uncommon for payors to impose a $250 co-pay for a colonoscopy," he says. "This is approximately 50 percent of the expected collections per procedure in many markets. It is an alarming trend but a fact of life — as more and more medium to large size companies self-insure (and often will

use a national carrier such as United or Cigna to provide administrative services — this is referred to as the 'ASO' model commonly), the employers are electing to increase patient liabilities for their employees through higher co-pays or deductibles."

He notes that many physicians and ASCs who use an out-of-network model aren't aware that most national insurers have more than 50 percent ASO models as part of their book of business. "Thus, ASCs that go out-of-network or physicians who use out-of-network ancillary providers such as pathology are not really hurting the insurers," he says. "Instead, they hurt the employers in the local community. For instance, pathology out-of-network reimbursement for GI is often two to three times higher than the in-network costs. This additional cost is imposed not on Cigna or United but on the local employers who self insure. This is something many people in the ASC market simply are not aware of at this point."

Ms. Kehayes also notes this trend. She says, "As patients are faced with layoffs and potentially new jobs with new employers, there could be meaningful shifts in third party payor mix for ASCs which can impact net revenue. In addition, there are increases in flexible spending accounts and benefit plans that require a larger financial commitment from the patient. Therefore, co-pays and co-insurances due in from the patient are enhanced. Hence, patient collections and upfront collections are becoming more critical."

Amerinet and ASC Communications Host Complimentary Surgery Center Webcast Series

Amerinet and ASC Communications are collaborating to offer a series of free informational Webcasts to members as part of Amerinet's Surgery Center Solutions, a comprehensive menu of tools and resources targeted exclusively to ASCs.

The free Webcasts are hosted by Scott Becker. Registration for the sessions and more detailed session content is available by clicking on "Amerinet" from the Inquisit Web site at **www.inquisit.org/iQast/.**

Topics include:

- **Implant Costs: Why Facility-Physician Collaboration Makes Sense** – Thurs., July 16 from 2:15 – 3:15 p.m. EDT. This session features Karen Barrow, Amerinet senior vice president of business development, discussing ways facilities can use collaboration and data to improve margins.
- **The Pitfalls & Benefits of Being Out-of-Network for an ASC** – Wed., Aug. 5, from 2:15 – 3:15 p.m. EDT. Scott Rein, founder and president of Strategic Outpatient Solutions, will provide an overview on out-of-network billing as it relates specifically to ASCs. Rein will discuss the most common risks and benefits of being out-of-network.
- **Working Proactively to Avoid Reactive Situations and Achieve Patient Safety Actualization** – Wed., Oct. 21, from 2:15 – 3:15 p.m. EDT. Holly Hampe, director, quality and safety for Amerinet, will discuss the importance of continuous quality improvement and ways to identify proactive, practical assessment tools to achieve a higher level of quality in your ASC.

If you have any questions about these Webcasts, e-mail Evan Danis at evan.danis@amerinet-gpo.com.

13. ASCs are reducing full-time employees and increasing outsourcing where possible. ASCs are re-examining opportunities to reduce full-time employees and increasingly outsourcing certain functions such as revenue cycle management, and billing and collection services, particularly where the center can realize savings and/or improve collections.

Bill Gilbert, vice president of marketing for Advantedge Healthcare Solutions, notes that economic pressures and slowing ASC growth is leading more ASCs to focus on efficiency. "At the same time, some are realizing that billing and collections results are not what they expect and are getting harder to achieve (issues such as recruiting and retaining skilled billing staff, staying current with changes in coding and billing procedures, and ever-more demanding payors)," he says. "As a direct result, we are seeing more and more centers consider using a professional billing service. The benefits include increased collections, reduced overheads, reductions in fixed costs and more management time to focus on patient care and promotion."

Mr. Lambert of ASCOA says, "We do look on an ongoing basis to find opportunities to improve the productivity of our staff. This typically occurs by eliminating down time in the surgical schedule. We like to have full busy days and minimize partially utilized days. When the surgery is done we send staff home necessitating our staff work flexible hours."

Caryl Serbin, president of Serbin Surgery Center Billing, says, "Analyze your billing practices (such as acceptance of denials and errors with no pursuit). Also, consider outsourcing coding, billing and A/R management to experts." She also notes that in this economy, ASCs could benefit by using a management service to evaluate various aspects of a center, including business practices, efficiency, managed care negotiation and coding and billing services.

14. There is increased interest in refurbished equipment. We are seeing an increased interest in the willingness to buy re-fabricated and refurbished equipment as opposed to new equipment.

Russ Ede, vice president of non-acute contracting for Amerinet, notes that many ASCs are considering refurbished equipment in order to save money. However, he says it is important to note that refurbished equipment is not the same as used equipment, as refurbished equipment is reconditioned into like-new condition.

"Many ASCs find this to be good option because they are paying less, but [a reputable seller] is guaranteeing their investment," he says.

Some companies have always considered buying refurbished or used equipment as an option at their centers. Mr. Chopra says, "It has always been part of the equation for us as we always have to be mindful of capital outlays. Patient safety is our primary consideration, so we are selective in how and when we utilize refurbished equipment solutions."

However, many centers are still unsure about or uninterested in buying used or refurbished equipment at this time. ■

Contact Scott Becker at sbecker@mcguirewoods.com or Renée Tomcanin at renee@beckersasc.com.

Kathy Bryant of the ASC Association Discusses Critical Regulatory Issues
(continued from page 1)

thus, that their ASC is in conformance with the regulations, according to Ms. Bryant.

Here, Ms. Bryant discusses some of these major issues and offers suggestions as to what ASCs can do to address them.

Greater scrutiny by the government

Over the past year, the federal government has placed increased scrutiny on potential Medicare fraud from insurance companies and physicians. Recent cases have included individuals or companies overcharging for services or using flawed data to determine what amount should be charged for procedures.

To date, ASCs have not seen excessive scrutiny, but Ms. Bryant cautions ASCs not be complacent on this issue.

"Just because ASCs haven't been the targets of enforcements, such as those conducted by the [recovery audit contractors], it doesn't mean that they won't be [targets] in the future," she says. "Most ASCs are following the correct policies when it comes to Medicare regulations, but with the new, more complicated system it makes sense for ASCs to review their billing procedures and policies and make any adjustments needed."

"Small issues can quickly become big issues," she says, emphasizing the importance that ASCs remain aware.

Conditions for Coverage

The changes in the Medicare Conditions for Coverage that went into effect on May 18 provide a perfect reason for ASCs to take a look at their policies to ensure that they are in compliance with these new regulations.

"This is an excellent time for ASCs to conduct a proper review of their policies and make adjustments so that they can meet the new requirements," Ms. Bryant says. "Although it will be a little while before state surveyors must start using the new criteria, any surveys conducted as the result of a complaint is under these new standards.

"If ASCs use their available resources and stay informed about the new conditions and stay in compliance, it will make it easier for us to make the necessary changes," Ms. Bryant says.

One such change has already occurred, further illustrating the importance for surgery centers to keep up-to-date on the new policies. After CMS reevaluated its original policy at the request of the ASC Association and ASCs across the country, ASCs may perform same-day procedures on Medicare patients who meet certain conditions.

"CMS did the right thing in reconsidering its original policy that would have banned same-day patient care in ASCs," says Ms. Bryant. "With our members' help, we were able to provide numerous specific examples of patients that would be harmed by this policy. We are pleased to see that CMS listened to the ASC Association and its members on this issue."

Payment issues

The growing disparity between Medicare payments for ASCs and those for hospital outpatient departments remains a hot-button topic.

Rather than setting the rates based upon the HOPD system, the Medicare reimbursement payments for ASCs undergo "secondary rescaling," resulting in even lower payments for ASCs.

As a solution, the ASC Association supports legislation introduced in Congress designed to fix this and other issues regarding Medicare payments. This legislation, H.R. 2049, introduced by U.S. Representatives Kendrick Meek (D-Fla.) and Wally Herger (R-Calif.) would set the rate at 59 percent of the HOPD rate, according to Ms. Bryant.

Taking proactive action

The overall impact of ASCs in the local and healthcare communities is one that is largely unknown by many lawmakers, Ms. Bryant says. As a result, ASCs have often been added in as a sidebar to many pieces of healthcare legislation.

"ASCs have a great story to tell," she says. "Washington, D.C., doesn't really understand [the role of ASCs in the healthcare industry]."

In order to get the message out about ASCs and to make certain ASCs have their voices heard, Ms. Bryant encourages ASCs to make their presence known to their members of Congress and other legislators.

"Nothing can replace [in effectiveness] a constituent coming to visit their legislator," Ms. Bryant says. She encourages ASC professionals to lobby in Washington.

Making an impact requires that ASCs are aware of the issues that are at hand, says continues Ms. Bryant. She notes that the ASC Association provides information on its Web site and has staff that can help and are "just a phone call away."

"ASC professionals who know the issues can then use this information to keep others at their ASCs and in their communities in the know," says Ms. Bryant.

She encourages all ASCs to write their members of Congress and urge them to cosponsor H.R. 2049. "The change won't happen in 2009, but hopefully, these issues will be resolved in 2010 if ASCs across the country give just a little time to the effort," she says.

Outreach goes beyond Washington, D.C., Ms. Bryant says. She notes the importance of educating the community about what ASCs provide. "The biggest impediment [to our success] is people not knowing what the benefits of ASCs are," she says.

Ms. Bryant also encourages ASCs to bring members of the community into their facilities by participating in National ASC Open House Day, hosting health fairs and sponsoring events with other local community groups so that the public is aware of what ASCs offer their communities.

Learn more about the ASC Association at www.ascassociation.org. ■

Contact Renée Tomcanin at renee@beckersasc.com.

5 Urology-Driven ASCs to Know

Ambulatory Urosurgical Center (Rockville, Md.). Ambulatory Urosurgical Center is dedicated to outpatient urological care. Physicians at the AAAHC-accredited surgery center perform a variety of urological procedures including bladder biopsies, circumcisions, cystoscopies, diagnostic procedures for male infertility, hydrocele repairs. prostate biopsies, shock wave lithotripsy for urinary stones, varicocele repairs and vasectomies. The surgery center, staffed by 15 physicians from the medical practice Urological Consultants, serve patients throughout Montgomery County, Md. www.uroconsultants.com

Central Ohio Urology Surgery Center (Columbus, Ohio). Central Ohio Urology Surgery Center, the surgery center of the Central Ohio Urology group, is an AAAASF-accredited facility and is used by 24 physicians. The surgery center performs a number of procedures including cystoscopies, prostate biopsies, vasectomies and urodynamic testing. Central Ohio Urology Surgery Centers treats patients from a five-county region in central Ohio. www.centralohiourologygroup.com

Columbia Urological Surgery Center (Columbia, Md.). Columbia Urological Surgery Center is the surgery center associated with Central Maryland Urology Associates. Columbia Urological Surgery Center has been rated among the best ASCs in the nation, according to the Joint Commission. The Joint Commission gave the CUSC its approval "with commendation" in 1997, an honor awarded to only 10 percent of the healthcare organizations accredited that year. The center is home to six physicians who perform approximately 3,000 procedures annually. The center offers a variety of treatments for urological conditions including laparoscopic surgery, kidney stone treatment, prostate diagnostic screening and evaluation of sexual dysfunction in both sexes. Columbia Urosurgical Surgery Center will move into a new facility in July which will allow the center to double its current size.

Pamela Shannon, administrator of the center, says that the facility's focus on a single specialty allows it to provide efficient care from a staff that is trained specifically for urological procedures. "We are pleased to be able to offer such high quality care with such ease to our patients," she says. "Everyone in our facility knows the highest standards for urological care and aims to meet those standards for our patients." www.cmua.net

Urology Surgery Center (Nashville, Tenn.). The Urology Surgery Center is the only freestanding ambulatory surgery facility specializing in urology in Middle Tennessee. The center is accredited by the AAAHC and was recently featured in the ASC Association's ASC Focus for its dedication to patients. The physician-owned surgery center is used by more than 28 urologists who treat a variety of urological conditions including bladder and prostate cancer and urinary incontinence. The 12,000 square-foot center treats approximately 8,000 patients per year and features three operating rooms, three procedure rooms and a 17-bay recovery room.

Mary Ellen Danielson, administrator of the center, says that the center's success is due to the great service it provides to both its patients and the physicians who choose to perform procedures there. "The physicians love to come here because performing procedures here really can make their lives so much easier. They can complete several procedures here in the same amount of time it would take to perform one at a hospital," she says. www.urologynashville.com

Yakima Urology Surgery Center (Yakima, Wash.). Yakima Urology Surgery Center is a Medicare-certified ASC which opened its doors in 1998. The surgery center features one operating room and four procedure rooms and is used by five urologists from Yakima Urology Associates who treat a variety of urological conditions in both adults and children. The center performs approximately 3,500 procedures annually and is scheduled to move into a new facility, which will double its present size, in July, according to Eric Ruud, director of the center.

Mr. Ruud says that Yakima's commitment to a single specialty allows for its efficiency and great quality of care. "Our highly specialized, very efficient staff provides very low complications and high patient ratings," he says. www.yua.com/surgery ■

6 Urology Procedures ASCs Should Perform to Maximize Profits

By Mark Taylor

Joseph Banno, MD, a board-certified urologist and founder of Peoria (Ill.) Day Surgery Center and past chairman of the American Association of Ambulatory Surgery Centers, suggests ASCs should consider adding and performing the following six urology procedures to satisfy patient needs and maximize profits.

1. Endoscopic procedures. Dr. Banno says that endoscopy allows him to view the urethra, prostate and bladder. "Performing these procedures allows me to treat simple and complex urethral strictures and to laser and resect obstructing prostate tissue," he says. He can also resect small and large bladder tumors and fragment small and large bladder and urethral calculi. Private insurers usually pay $1,000-$1,500 for a typical cystoscopy procedure. Medicare would pay much less.

2. Incontinence procedures. Dr. Banno says that sling procedures, used for male and female incontinence, are quick and simple surgeries safely done in an outpatient surgery setting. "These procedures involve using sling material, either from a cadaver or synthetic, to elevate the urethra and prevent incontinence. Reimbursement is good and ASCs are much more efficient than the hospitals for this type of surgery," he says. "Because of the price of some of the slings, many urologists are substituting generic slings, which lower the cost of the total procedure, thus allowing some Medicare patients to have their surgery at ASCs." Commercial payors would average $1,500-$2,250.

3. Neurostimulation to treat urinary frequency. With the growing number of overactive bladder therapies on the market, some patients are not cured with currently available medications. "These patients often are great candidates for neurostimulation," Dr. Banno says, citing the use of, for example, Medtronic's Interstim device, to perform the procedure. Initially, the patient undergoes a test procedure and over a two-week period, if successful, a permanent placement is performed. Typically, 65 percent of the patients who are tested for Interstim are candidates for the permanent procedure, he says. Reimbursements average around $15,000 for this procedure.

4. Penile implants. Dr. Banno says that surgically placing inflatable penile implants is both safe and effective for patients in ASC settings. "These surgeries have been performed in patients as young as 19 and as old as 90," he says. Since the approval of Medicare patients to be covered for penile implant surgery, ASCs can negotiate with the various insurance companies and vendors to make this surgical procedure financially feasible in the ASC setting. He says the popularity of the implants is likely to grow with the aging of the Baby Boomer generation. The ASC receives between $9,000 and $10,000 for the implant procedures.

5. Extracorporeal lithotripsy. This procedure, which is primarily performed in hospitals, now can be completed safely and easily at surgery centers, Dr. Banno says. "It is a non-invasive procedure which involves using high-density, acoustic pulse shock waves from a lithotripter to obliterate kidney stones and urethral stones."Private insurers pay $1,500-$2,250.

6. Vasectomy reversals. Dr. Banno says that procedures such as vasectomy reversals are typically not covered by the insurance companies, but noted that patients can save $15,000-$20,000 by having the procedure performed in an ASC, which he says is a safe setting. Most reversals are self-paid and bring in $1,500-$3,900. ■

Dr. Banno (jjbanno@gmail.com) is a board-certified urologist with Midwest Urological Group and founder of Peoria Day Surgery Center, which opened in 1990 and is staffed with seven urologists and used by 43 other physicians of various specialties. He is also past chairman of the Ambulatory Surgery Center Association and a current executive committee member.

22 Facts About Urology in Surgery Centers

1. Urology was represented in 23 percent of all ASCs in 2008.

2. Urology ranked fourth among specialties in average number of annual cases performed at single-specialty centers — behind gastroenterology, pain management and oral surgery — with 3,426 cases.

3. Although a majority of urologic procedures are still performed in hospitals, cases are shifting over to surgery centers, as a result of growing reimbursement rates for surgery centers. Listed below are some common procedures, their reimbursement rates in 2007, 2008 and the projected rate for 2011.

- Prostatectomy, first stage (CPT 52612):
  - 2007: $446
  - 2008: $701.91
  - 2011: $1,493.64
- Prostatectomy, second stage (CPT 52614):
  - 2007: $333
  - 2008: $623.16
  - 2011: $1,493.64
- Laser coagulation of prostate (CPT 52647):
  - 2007: $1,339
  - 2008: $1,472.13
  - 2011: $1,871.50
- Laser vaporization of prostate (CPT 52648)
  - 2007: $1,339
  - 2008: $1,472.13
  - 2011: $1,871.50

4. The average net revenue for a urologic procedure in 2008 was $1,649. The highest average net revenue was in the West ($1,557/case) and the lowest was in the Northeast ($1,011/case).

5. The average net revenue changes by the number of operating rooms in a surgery center. The average net revenue for urology cases by number of operating rooms is as follows:

- 1-2 ORs: $1,059
- 3-4 ORs: $1,242
- More than 4 ORs: $1,184

6. The average net revenue changes by the number of cases a center performs annually. The average net revenue for urology cases by number of cases performed is as follows:

- Less than 3,000: $1,248
- 3,000-5,999: $1,210
- More than 5,999: $1,184

7. The average net revenue changes by the total net revenue of the surgery center. The average net revenue for urology cases by total net revenue of the surgery center is as follows:

- Less than $4.5 million: $1,077
- $4.5-$7 million: $1,301
- More than $7 million: $1,342

Medicare charges and payments

Here is the average 2007 Medicare sub charge (submitted charges divided by allowed services), average allow charge (Medicare-allowed charges divided by allowed services, including co-pays and deductibles paid by patient), and average payment (Medicare payments divided by allowed services, not including co-pays and deductibles paid by patient) for 15 urology procedures commonly performed in ASCs.

8. Scope of bladder and urethra, for diagnosis (CPT 52000)

- average sub charge: $963
- average allow charge $328
- average payment: $257

9. Scope bladder, insert tube for injection (CPT 52005)

- average sub charge: $2,164
- average allow charge $388
- average payment: $306

10. Scope bladder, removal of lesions, small (CPT 52224)

- average sub charge: $2,104
- average allow charge $430
- average payment: $339

11. Scope bladder, removal of tumors, small (CPT 52234)

- average sub charge: $2,381
- average allow charge $439
- average payment: $347

12. Scope bladder, opening of bladder (CPT 52260)

- average sub charge: $2,106
- average allow charge $428
- average payment: $337

13. Scope bladder, open narrowed female urethra (CPT 52285)

- average sub charge: $1,291
- average allow charge $440
- average payment: $348

14. Scope bladder, simple removal stone, stent (CPT 52310)

- average sub charge: $1,520
- average allow charge $389
- average payment: $306

15. Scope bladder, complex removal stone, stent (CPT 52315)

- average sub charge: $2,534
- average allow charge $440
- average payment: $348

16. Scope bladder & ureter, insert stent into ureter (CPT 52332)
- average sub charge: $2,481
- average allow charge $352
- average payment: $279

17. Scope bladder & ureter, remove or move stones (CPT 52352)
- average sub charge: $3,085
- average allow charge $609
- average payment: $480

18. Scope bladder & ureter, break up kidney stone (CPT 52353)
- average sub charge: $3,808
- average allow charge $610
- average payment: $483

19. Surgery on bladder neck through urethra (CPT 52500)
- average sub charge: $2,585
- average allow charge $493
- average payment: $389

20. Opening of post-operative bladder neck narrowing (CPT 52640)
- average sub charge: $2,609
- average allow charge $437
- average payment: $348

21. Laser coagulation of prostate for urine flow (CPT 52647)
- average sub charge: $3,746
- average allow charge $1,316
- average payment: $1,044

22. Laser vaporization of prostate for urine flow (CPT 52648)
- average sub charge: $5,819
- average allow charge $1,330
- average payment: $1,048 ■

Sources:
Items 1-3: SDI's 2008 Outpatient Surgery Center Market Report.
Items 4-7: VMG Health 2008 Intellimarker.
Items 8-22: CMS.

Note: CPT codes are copyrighted by the AMA.

10 Managed Care Best Practices for Urology

By Susan Charkin, MPH, and Steve Selbst

ASCs and their urologists can often feel intimidated and ill-equipped to deal with the negotiation process. They may accept what payors offer and begrudgingly sit tight year after year knowing that they should get much more money from their payor agreements but aren't getting it. However, they often don't know the steps to take to obtain this incremental revenue. To be more effective in achieving results when you actually negotiate with payors, here are 10 ASC managed care best practices for urology. This article is written in collaboration with Deepak A. Kapoor, MD, chairman and CEO of Integrated Medical Professionals, a physician practice consisting of 90-plus physicians in the greater New York Metropolitan area, and a healthcare executive in the northeast market who wishes to remain anonymous.

1. Plan for the possible impact of changes by the Obama Administration to Medicare and to provider reimbursements. While the various proposals under consideration would likely retain the multiplicity of commercial health plans in play today, there is some speculation that the U.S. government may also create a government-sponsored payor to compete with commercial payors. Such an outcome would further increase the pressures on ASCs and their physicians to perform services at lower reimbursement levels.

Early proposals suggest that Medicare reimbursements may decrease for clinical providers and facilities alike. Many payors follow Medicare guidelines for determining both charges and reimbursement. As such, urology providers and facilities are responding to these challenges by proactively drafting responses to Medicare to justify the cost of major urological episodes of care. "Cost" to a payor is not actually the physician cost of providing care, but rather a minimum fee set by the payor's actuarial department that, in many cases, is based upon market forces and not the actual cost of providing care.

Pick 10 of your primary cases and determine the cost of providing care for each. Unbundle CPT codes and account for all services including ancillary services such as anesthesia, lab, radiology, pathology, supplies, etc. Having this information can assist you in explaining the cost of providing your services and can be used to justify your requested increased reimbursements to payors during contract negotiations.

2. Prepare for 2010 Pay for Performance. It is important to track the trend of quality and costs since urologists' fees will, at some point, most likely be linked to P4P. P4P programs link physician adherence with recommended case management processes and protocols to financial incentives. These programs should be measurable and based upon key clinical indicators. The managed care industry is actively working with CMS to help develop appropriate standards for such future implementation.

The National Committee for Quality Assurance has been a central figure in the movement towards P4P. NCQA works with large employers, policymakers, doctors, patients and health plans to determine measurements and improvements in this arena. NCQA's Healthcare Effectiveness Data and Information Set tool is used by more than 90 percent of America's health plans to measure performance on important dimensions of care and service.

As such, it is worthwhile to start preparing now for P4P by collaborating with your major payors by reviewing ongoing efforts by NCQA in developing HEDIS standards and compliance goals, and knowing how/when these will impact your ASC. Also note that there should be simple methods to administer and monitor quality and cost so both you and the payor can easily understand your indicators. Toward this end, compliance protocols, policies and reimbursement methodologies should be spelled out in detail in the body of your payor agreements or as separate amendments.

3. Develop and monitor urological standard quality of care measures. Patient care is improved as a result of the sharing of "best practices" and creating aggressive quality management and utilization review programs. For example, it is recommended that ASCs go well above the Medicare baselines for chart review, as well as maintaining detailed data and documentation on their hospital readmissions and infection rates. ASCs should also verify and document their continual compliance with internal group and ASC protocols.

Physicians should regularly exchange metrics, ideas and thoughts concerning patient care and practice efficiencies. Consider the institution of a monthly morbidity and mortality report, development of best practice models for operational efficiencies, institution of standardized protocols for commonly performed clinical conditions as well as standardized reporting for in-office surgery and diagnostic testing. Again, these practices will assist you in preparing your ASC for future payor reimbursement under any new P4P and/or Medicare reimbursement methodologies.

4. Form a urological "supergroup." Urologists first dipped their toes into collaborative ventures to enhance patient access to services and control quality via the formation of lithotripsy cooperatives. This was done under the auspices of an ASC in some instances, and, in others, urology participation in ASCs followed after physicians experienced the advantages of non-hospital based surgical sites.

Urologists' next logical step towards controlling their destiny is to fully integrate solo and small group practices into financially and clinically fully-integrated group practices. These new entities have resulted in demonstrated improved efficiencies, including reduced treatment and non-treatment costs, improved outcomes, expanded patient access and improved healthcare services for both insured and non-insured patients alike. These group practices cannot exist in name only but need to satisfy the unified business test which implies a very high level of integration. It is also important to note that these entities are required to comply with both local state and federal guidelines. Any such structure should be developed with legal counsel that is familiar with both local state and federal guidelines regarding integrated practices.

5. Expansion into non-urological ancillary services. Additional advantages to the economies of scale offered by a large group practices are traditionally termed ancillary services. However, large group practices have introduced a new comprehensive urological care model enabling urologists and their ASCs to have some form of control over all the services that impact the patient, such as diagnostic radiology, laboratory and pathology services. However, before getting started, contact each of your contracting and non-contracting payors individually for their credentialing and payment protocols since each will have completely different policies and procedures relative to this issue.

If you build it doesn't necessarily mean the patients will have automatic access to your new services. This is as much as credentialing issue as a contracting issue. Assuming that these new services are covered under your existing tax ID number, you need to first determine if any of your physicians will be credentialed and can be reimbursed when providing both the professional and technical components of these new services. Also, determine if there are additional credentialing or accreditation requirements that the payor is going to require for these new services such as accreditation by the American College of Radiology.

Payors, regardless of your geographical presence or market power, may be unable to contract with you if they are already contracted either exclusively or via capitated rates for these ancillary services with another provider. Remember that payors often view physicians who provide both the professional

and technical components of non-urological ancillary services much like having the fox running the hen-house; payors will look at your utilization of these services much more closely as overutilization becomes an increasing concern.

Also, Medicare is currently reviewing its rules relative to the relationship of specialists who provide ancillary services, such as pathology, which may or may not change in 2010. Regardless, payors are constantly evaluating these issues. Just because they have given you the green light for reimbursement today doesn't preclude them from altering these policies and procedures in the future unless you get it in writing in your payor agreements.

6. Implement a common electronic health records platform. EHRs enable patient records to be easily exchanged between different physicians (either different specialties or within the same specialty). All laboratory, diagnostic studies and clinical information should be in a central repository, and should be updated on a real-time basis. Your EHR should be designed around evidence-based protocols, further guiding your physicians to improving clinical care. Leverage technology for electronic prescriptions (which will also virtually eliminates errors in transcription and side effects from unpredicted drug interactions), as well as electronic storage of media such as radiographs. These steps will reduced your infrastructure costs as well as provide you with documents needed in justifying fees to health plans for new and renegotiated agreements.

7. Provide new services, equipment and technology. A major advantage to both patients and third-party payors is the ability for patients to obtain highly specialized services from new, state-of-the-art treatments and equipment. Payors are now looking at contracting with ASCs whose physicians have advanced fellowship training in such areas as oncology, robotics, laparoscopy, impotence/infertility, neurology, female urology and stone disease as being the gold standard in urological training and care. New state-of-the-art equipment and technologies are not restricted to urological technology; they include non-urological technologies as well such as diagnostic radiology, pathology and radiation oncology. Examples of technological innovation in these areas include 64-slice CT scanners, microwave and laser units for the treatment of Benign Prostatic Hyperplasia (BPH) and image-guided radiation therapy (IGRT). The use of these technologies can improve outcome, increase throughput and reduce costs, both directly and by reducing patient morbidity.

It is essential to maintain complete cost and patient quality care records as you provide these services and use these pieces of equipment. Tracking the use of these advanced services and technologies will assist you in documenting a payor's cost per episode of care, and in turn can provide you with the compelling data and documented needed to justify your requested rate increases during payor contract negotiations.

8. Implement and document ongoing physician continuing education. Establish programs to ensure that your physicians are continuously receiving training so that patients receive the highest level of medical care. The most progressive ASCs and their urologists now provide their physicians with monthly scientific presentations either delivered or arranged by their chief medical officers, and organizations hold monthly morbidity and mortality confer-

ences. Arrange to provide didactic and hands-on training for your physicians to ensure standardization of technique and reporting with respect to key services such as ultrasounds.

Furthermore, it is a good idea to conduct regular meetings, mandatory to all physicians, at which national thought leaders provide state-of-the-art lectures on various clinical subjects. In addition to clinical information, it is also imperative to update physicians regularly on healthcare policy and operational issues. To demonstrate your commitment to quality of care provided in your community, open your scientific meetings to both your member and non-member physicians alike without cost or obligation. In taking these extra steps, you will be able to demonstrate intent as a collaborating partner with both your community and your local health plans.

9. Implement aggressive procedure coding review. Ongoing statistical modeling regarding coding error rates and accuracy should be performed by your ASC. Physicians should be educated on correct coding initiatives on at least a quarterly basis. These initiatives ensure that each patient receives the correct treatment for the disease entity, and that the bills reflect the appropriate charges for the service. This will increase both patient quality of care as well as reduce the likelihood of audit retrospective review, denial of payment of past claims, and possible payor recoupment and recovery of money from future services.

10. Vigilantly monitor contract reimbursement. Last, but most definitely not least, it is critical that you gather your current contract fee schedules and ensure that your top codes reimbursements are maximized. There are several ways to do so. First, make sure you know the frequency that each service is performed per unit of time and that you also know the contracted rate and actual claims payments. Compare your contracted rates to local Resource-Based Relative Value Scale Medicare reimbursement and to other physicians in your locality, state and in the country. Make sure that your sample size is large enough to avoid any issues a payor may have with collusion. It is best to consult your legal council before implementing a rigorous reimbursement review and negotiation process.

For your review, deploy the "20/80 rule." This means you identify the 20 percent of your codes that drive 80 percent of the book of business into your organization. Weight your codes in descending order based upon the payment associated with each code (i.e., the payor contracted rate times volume). Such an approach will allow you to hone in on the services that most affect your payor reimbursement. Also, look for trends when grouping your top codes. For example, are urology surgical codes above standard benchmarks but your radiology codes far below standard benchmarks? This descending order weighting approach will help you determine which contracts and services to focus on and will result in maximizing revenues from commercial payor contracts.

It is not only critical to negotiate a good contract, but then you must ensure the contract is paid based upon the correct rates and payment terms. Ongoing vigilance in comparing your reimbursement to the rates you agreed upon will pay big dividends. ■

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5 ENT-Driven ASCs to Know

Abington Surgical Center (Willow Grove, Pa.). Abington Surgical Center is an outpatient surgical center privately owned by local physicians and Abington Memorial Hospital. It opened in 1989 and is licensed by the Pennsylvania Department of Health, certified by Medicare and accredited by AAAHC. Abington Surgical Center is a multi-specialty facility with seven operating rooms and three procedure rooms. The center is used by 17 ENT physicians who performed 3,149 procedures last year. The surgery center celebrated its 20th year of business last year, according to Stan Grissinger, principal of Surgical Network, the management firm that works with the surgery center.

According to Mr. Grissinger, Abington Surgical Center has excelled as an outpatient surgery facility for a number of reasons. "We have 20 years of goodwill and solid community reputation as well as a cooperative and supportive joint venture partner in highly-regarded Abington Memorial Hospital," he says. "In addition, we have an outstanding nursing and support staff who understand the unique culture of ASCs." www.abingtonsurgery.org

ENT Facial Surgery Center (Fresno, Calif.). ENT Facial Surgery Center is a single-specialty surgery center serving nine otolaryngologists and aesthetic plastic surgeons and their patients. The center is designed to meet the needs of both the pediatric and adult patient population and staffs anesthesiologists trained specifically for pediatric and adult care. The center's physicians perform a number of ENT and aesthetic procedures including head and neck surgery, sinus surgery as well as treatments for hearing loss and thyroid conditions. The center, part of the Ear Nose & Throat Medical Group, also features a hearing services program and a speech and language pathology program. www.ccent.com

Evergreen Surgical Center (Kirkland, Wash.). Evergreen Surgical Center is a multi-specialty surgery center with a strong ENT program. The center was established in 1983 and is jointly owned by Evergreen Healthcare and physician owners. The center is accredited by Medicare and The Joint Commission and has more than 25 years of experience performing both adult and pediatric ENT procedures including tonsillectomy, adenoidectomy, myringotomy and ear tubes and septoplasty. Physicians at the center also perform balloon sinuplasty and the center serves as a regional training site for surgeons to learn how to perform this cutting-edge procedure. www.evergreensurgicalcenter.com

Specialty Surgery Center (San Antonio, Texas.). Specialty Surgery Center is a multi-specialty surgery center that is used by 23 physicians, six of which specialize in ENT. The center was established in 1998 and moved to a new facility in Oct. 2005. Specialty Surgery Center's new facility features five operating rooms, and its ENT physicians perform approximately 3,900 cases annually including a wide-variety of procedures, according to Steven Blom, administrator of the center. www.specialtyasc.com

Spokane Ear, Nose and Throat Surgery Center (Spokane, Wash.). Spokane Ear, Nose and Throat Surgery Center is a fully-licensed, Medicare-approved ambulatory facility specializing in ENT care. The center's 13 physicians have more than 75 combined years of experience and serve patients in Spokane and the Inland Northwest. The center provides a variety of ENT surgical services including myringotomy, tonsillectomy, adenoidectomy, septoplasty, rhinoplasty, endoscopic sinus surgery and facelifts. The center also has a dedicated division for pediatric surgery, which treats a number of pediatric ENT conditions including laryngotracheal disorders, sinonasal disorders, neck masses and cleft lip and palette. The center features four operating rooms and surgeons at Spokane ENT Surgery Center perform approximately 3,150 procedures annually, according to Rod Emerson CEO of Spokane Ear, Nose & Throat Clinic, the physician group that operates the surgery center. www.spokaneearnoseandthroat.com ■

4 ENT Procedures ASCs Should Perform to Maximize Profits

By Mark Taylor

Ajay Mangal, MD, MBA, a board-certified otolaryngologist and president and CEO of Cincinnati-based Prexus Health, a physician-owned developer and manager of ASCs, imaging centers and surgical hospitals, has found that offering ENT in his company's facilities is a worthwhile venture. "We like ENT procedures because 90 percent of them can be performed quickly and safely in outpatient settings and most are very profitable," he says.

Here are four ENT procedures Dr. Mangal recommends ASCs should perform or add to improve profits.

1. Myringotomy — This procedure involves the insertion of ventilation tubes, also known as pressure equalization tubes. "We schedule them every 15 minutes, but the actual procedure only takes five minutes and is typically done under anesthesia," Dr. Mangal explains. "I haven't ever seen a complication, but anytime anyone goes under general anesthesia, there's always that potential. From a safety standpoint, it's no more or less safer than doing it in a hospital." He says reimbursement ranges $1,000-$1,200 per procedure.

2. Tonsillectomy and adenoidectomy — While Dr. Mangal says this procedure is not performed as commonly as it was 40-50 years ago on young baby boomers, he says it is still frequently done for patients who meet criteria for strict indications, such as chronic tonsillitis or adenoiditis, and difficulty breathing. "It's done safely in ASC settings and is typically reimbursed at around $1,600," he says.

3. Septoplasty — Septoplasty is a corrective surgical procedure to straighten the nasal septum by removing nasal obstructions from patients having trouble breathing. Dr. Mangal says the procedure typically takes 15-30 minutes and insurers pay an average of $1,600.

4. Sinus endoscopy and debridement, and other functional sinus endoscopic surgeries — He says these endoscopic procedures can take from 30 minutes to two hours and are reimbursed from $1,200-$10,000.

"Some of the more complex endoscopic procedures were done more frequently in hospitals until recently," he says. "But with growing physician comfort in operating in an outpatient environment and realizing they can be safely done there, it's now becoming the industry standard. At many universities, doctors are now trained to do these in outpatient settings. The waiting time is less and the throughput is better. Unless a patient needs to be admitted after a surgery, I see no reason why these cases have to be done in a hospital at all." ■

Dr. Mangal (ajay.mangal@prexushealth.com) is an ENT specialist and president and CEO of Prexus Health. In 2000, Prexus opened its first ASC with 16 other physicians and the company now operates 13 ancillary services facilities, including physical therapy suites, imaging centers, surgical hospitals and two ASCs.

10 Statistics About ENT in Surgery Centers

1. ENT was represented in 26 percent of all surgery centers in 2007, which placed it in the top 10 of all specialties.

2. ENT accounted for 4 percent of the total case mix by volume in 2007 and, along with urology, shows increased growth as technology advances and more cases are moved to the surgery center.

3. The average number of ENT procedures performed at single- and multi-specialty centers with ENT in 2007 was 755, which was sixth behind gastroenterology, ophthalmology, pain management, orthopedics and urology.

4. In 2008, ENT accounted for 8 percent of total case volume in all ASCs, with the highest ENT case mix volume in the Southwest (10 percent) and Northeast (10 percent) and the lowest in the West (6 percent).

5. ENT procedures had the third-highest net revenue of all specialties in 2008 behind orthopedics and OB/GYN.

6. The average net revenue for an ENT procedure in 2008 was $1,538.

7. Here is the average net revenue for ENT procedures by region:
- West $1,712
- Southwest: $1,596
- Midwest: $1,633
- Southeast: $1,257
- Northeast: $1,245

8. Here is the average net revenue for ENT procedures by number of ORs:
- 1-2 ORs: $1,378
- 3-4 ORs: $1,592
- More than 4 ORs: $1,482

9. Here is the average net revenue for ENT procedures by total number of cases:
- Less than 3,000 cases: $1,587
- 3,000-5,999: $1,593
- More than 5,999: $1,466

10. Here is the average net revenue for ENT procedures by total net revenue of an ASC:
- Less than $4.5 million: $1,277
- $4.5-$7 million: $1,501
- More than $7 million: $1,698 ■

Sources:
Items 1-3: SDI's 2008 Outpatient Surgery Center Market Report. Learn more at www.sdihealth.com.
Items 4-10: VMG Health 2008 Intellimarker. Visit www.vmghealth.com to receive the 2008 Intellimarker.

6 Challenges Facing Ophthalmology in Surgery Centers and the Best Ways to Overcome Them

By Renée Tomcanin

Ophthalmology is a growing specialty in surgery centers and is currently represented in 38 percent of all surgery centers, up 27 percent since 2007, according to recent data from SDI's *2008 Outpatient Surgery Center Market Report*.

As more surgery centers add ophthalmology and new ophthalmologic procedures to their services, it is important to consider some of the challenges unique to this specialty. Here are six challenges currently facing ophthalmology in ASCs and best practices for overcoming them.

1. Adding retina procedures can be expensive but profitable. Retina procedures require a significant initial investment for surgery centers that are interested in adding these surgeries to their services.

"A good retinal machine requires a significant capital investment," Jason Jones, MD, a physician at Jones Eye Clinic in Sioux City, Iowa, says. He also notes that the case load will be lower for retina procedures. "A center will do a few hundred of these procedures a year, not thousands, so it is important to weigh the costs while considering adding this procedure," he says.

Dr. Jones also notes that retina procedures use many products that are designed for single use. However, he says that this can be balanced by the greater efficiency that single-use products can have because time is not required for the cleaning and care that multi-use equipment needs.

Margaret Acker, CEO of the Blake Woods Medical Park Surgery Center in Jackson, Mich., agrees that the new equipment needed for retina procedures will mean a significant hit to a center's bottom line. As a result, it is important for centers to ensure that they have enough physicians who can fill the schedule and use the equipment for retina surgery.

Silicon oil and Perfluron used in retinal surgery can also be costly, but if surgeons are working effectively, Ms. Acker notes, supply costs can be easily maintained.

"You need to find your breakeven point — how many procedure need to be done in a year to justify the costs," Ms. Acker says. "Also, it is important to ask how many cases did your physicians do and how many would they bring to the surgery center."

Ms. Acker says that exact reimbursement for retina procedures depends on the payor, but her center usually receives around $1,500 per code and that her center generally uses multiple codes.

Ms. Acker notes that a good portion of patients who have retina procedures will probably need to have another procedure in the future. "If a surgery center does a good job of taking care of their patients, retina patients included, there is a good chance that if patients need to have another procedure a few years down the road, they will return to the center," she says.

2. Patient selection can require special considerations. While most ophthalmologic procedures don't require general anesthesia, there are still some risks certain patient populations can pose for surgery centers.

Ms. Acker notes that most retina patients are elderly and not in very good health. "Most of these patients are under local anesthesia or a periovular block, but it is important to have an anesthesiologist who is well-versed in taking care of elderly patients," she says.

Patients should be monitored closely and make sure that they have proper oxygen saturation during the procedure, according to Ms. Acker.

Dr. Jones says that because retina procedures require heavier sedation, longer postoperative care is also needed.

Ms. Acker mentions that in her surgery center, staff members make sure that elderly patients who come in for retina, cataract surgery and other procedures are awake and alert before discharge, which may also require a longer stay in the PACU, as their recovery times from anesthesia are slower than other patients. "They usually come out of the OR fairly aware," she says. Ms. Acker also notes that having proper arrangements for follow-up care, such as arranging for a ride to the physician's office for the next day, is also important.

Another patient population that can provide special concerns for ophthalmology in surgery centers is pediatrics. "You can't do ophthalmologic procedures on children without a general anesthetic," Dr. Jones says.

By the same token, Dr. Jones has also encountered mentally challenged patients, such as those with Down syndrome, who come in for ophthalmologic procedures. "Sometimes we need to give these patients general anesthesia, but it depends on the availability of general anesthesia at the surgery center and the affect it will have on the patient," he says.

3. Some cataract surgeries can run over the scheduled time. Cataract procedures can sometimes be cumbersome because if a newer lens, such as Toric intraocular lenses, is used, extra surgery time is required, says Ms. Acker. This extra time is needed because a surgeon needs to mark a patient's eye before positioning the lens. "Often, a surgeon doesn't know that they will have to use the new lenses until patient comes in," she says.

To resolve this issue, Ms. Acker's surgery center added five minutes to every cataract procedure. Additionally, in order to keep staffing cost down, many members of the staff agreed to work a little later, if need be, and the center was not required to make a hiring adjustment.

According to Dr. Jones, several other types of patients and procedures have special requirements when it comes to scheduling. As previously mentioned, surgery on pediatric patients, because they need general anesthesia, will require extra time. Dr. Jones also notes that some patients will have unusual anatomic needs that require specialized suture or implants that will also take more time.

"[A center] needs to strike an overall balance with the types of cases they take," says Dr. Jones.

Dr. Jones says that working with friendly owners and staff at surgery centers that allow surgeons adequate access to the center can help make scheduling go a little smoother.

4. Although ophthalmology remains stable, reimbursement issues can still raise concerns. Because most ophthalmology patients and procedures are covered by Medicare, surgery centers haven't seen the significant hit that other specialties have, according to Ms. Acker. However, she does note that there is a planned 2 percent decrease in payments for the 2010 Medicare payment schedule.

Ms. Acker says that her surgery center has not seen any significant drop-off in the payments from third-party payors, but as the unemployment rate increases, the increase in the number of patients on COBRA or government subsidies may affect payments.

Dr. Jones says that some procedures have had specific issues with reimbursement. For example, in corneal transplants, such as endothelial keratoplasty, payors have not been paying well for donor corneal tissues that are required in the procedure.

One way to account for these changes is to collect payments upfront, an approach taken by Ms. Acker's center. "By doing this, we haven't had any real issues with losing revenue," she says.

Dr. Jones mentions that ASCs treating some patients who require IOL exchanges may have difficulty getting reimbursed for implants that are better performing but cost more. In most cases, surgeons will use the implant that is covered, but for some patients, certain implants or devices are the only choice.

In some situations, a small percentage of patients who elect a premium lens require an IOL exchange, according to Dr. Jones. This can be problematic because insurance companies may be unwilling to pay for an additional procedure. "If the patient is unable to adapt to the premium lens despite efforts to help them adjust, then the indication for exchange *could* be considered a mechanical malfunction of the lens and it *may* be covered [by insurance]," Dr. Jones says. "If the lens is of

the wrong power for optimal performance, then the exchange likely would be considered elective and not covered.

"The percentage of patients who require this is low," he says. "Then it becomes an issue of payment. We try to account for this issue ahead of time."

One such way is for the surgery center to receive reimbursements for what they can and collect additional fees from the patient. Another way is to have the patient pay up front via an "a la carte" fee for the implant and have the rest covered by insurance.

Ms. Acker suggests that surgery centers can prepare for changes in reimbursement by being frugal. "Watch your supply and staffing costs while safely taking care of your patients," she says.

One way in which Ms. Acker's surgery center has reduced costs is by standardizing the equipment all of the ophthalmologists use for surgery. "When you can use the same pack and equipment, it can save money," she says. "We also look at our packs from time to time, see what we aren't using and get rid of it."

5. Many patients are deferring surgery because of the economy. Dr. Jones says that some patients are choosing to put off surgery or are not seeing referring physicians for their regular eye exams. This means that some patients who may require surgery have not been seen by their regular physician and are not coming into the surgery center.

This trend may also account for the overall slowing of surgery cases that Dr. Jones has seen. However, he notes that by reviving an interest in eye surgery and raising the bar for care, surgery centers can make themselves a more inviting alternative to hospitals or in-office surgery. "The surgery center can be seen as a positive extension of the office visit," he says. "Patients are able to have an operating room and a certified staff, as opposed to the office, and there is no need to go into the hospital."

Dr. Jones also says that although his center hasn't seen much of a change, physicians in his region have seen an increase in the use of CareCredit and other healthcare financial services to help that patients pay for their surgeries. "There is less credit available," he says, "and this has often been the decision-maker for patients [as to whether or not they will have surgery.]"

6. The economy has had other effects. Aside from the increase in uninsured and government-subsidized patients and less patients coming in for surgery, other areas of ophthalmology have been affected during this tough economic time

Dr. Jones has seen, since Fall 2008, a decreasing trend in the number of patients selecting "premium" IOL implants, which would result in higher reimbursements for surgeons. However, this may be a temporary situation, and Dr. Jones says that he has started to see more patients opt for the "premium" lenses in recent months.

Physicians are encountering more savvy patients who ask for more information beyond cost in the current market. "Patients are more informed or want to be more informed, even if they get a routine lens," Dr. Jones says. "This can mean a bigger burden on the clinical end of operations to provide this information, but overall, it is very rewarding."

Certain regions and states in the United States have felt a bigger impact because of the economy. In Michigan, for example, Ms. Acker says that business tax has increased, and surgery centers have seen their expenses go up while their reimbursements have decreased. "We continue to take care of patients and make a living," she says. "Just keep watching staff costs and take proactive and frugal measures to preserve profits." ■

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5 Ophthalmology-Driven ASCs to Know

Ambulatory Surgery Center of Greater New York (Bronx, N.Y.). Ambulatory Surgery Center of Greater New York is a freestanding surgery center dedicated to total eye care — from cataract and glaucoma surgery to refractive surgery and treatment for diabetic retinopathy. Jerome Levy, MD, FACS, a board-certified ophthalmologist, founded the center in 1987 and serves as the center's surgeon director. Dr. Levy is a leading expert in cataract removal and no-stitch surgery and was among the first surgeons to perform phacoemulsification more than 25 years ago. In addition to cataract surgery, the center's physicians also perform Argon and Yag laser therapy to treat glaucoma, diabetic retinopathy and retinal disorders and to open cloudy membranes that may develop within the eye. The center also offers refractive and ophthalmic plastic surgery.

Joanne McLaughlin, administrator of the center, says that the center's level of care is the reason why the surgery center performs well in a very competitive market. "We treat our patients like family — from the moment they arrive to the moment they leave for home," she says. www.ascgny.com

Baltimore Eye Surgical Center (Baltimore, MD.). Baltimore Eye Surgical Center is a surgery center dedicated exclusively to eye surgery. The center provides a variety of services including cataract surgery, LASIK, pan-retinal photocoagulation and ophthalmic cosmetic services. Baltimore Eye uses the Alcon Infinity system for cataract removal, considered one of the premier systems for cataract removal, which removes cataracts by fragmentation of the lens by ultrasound. The ASC is staffed by three board-certified ophthalmologists with additional sub-specialty training in eyelid plastic surgery, cornea and refractive surgery, glaucoma and retinal disease. Baltimore Eye's cosmetic program is led by Marcos T. Doxanas, MD, one of the leading national eyelid surgeons. The surgery center performs about 2,600 procedures annually and is accredited by the AAAASF.

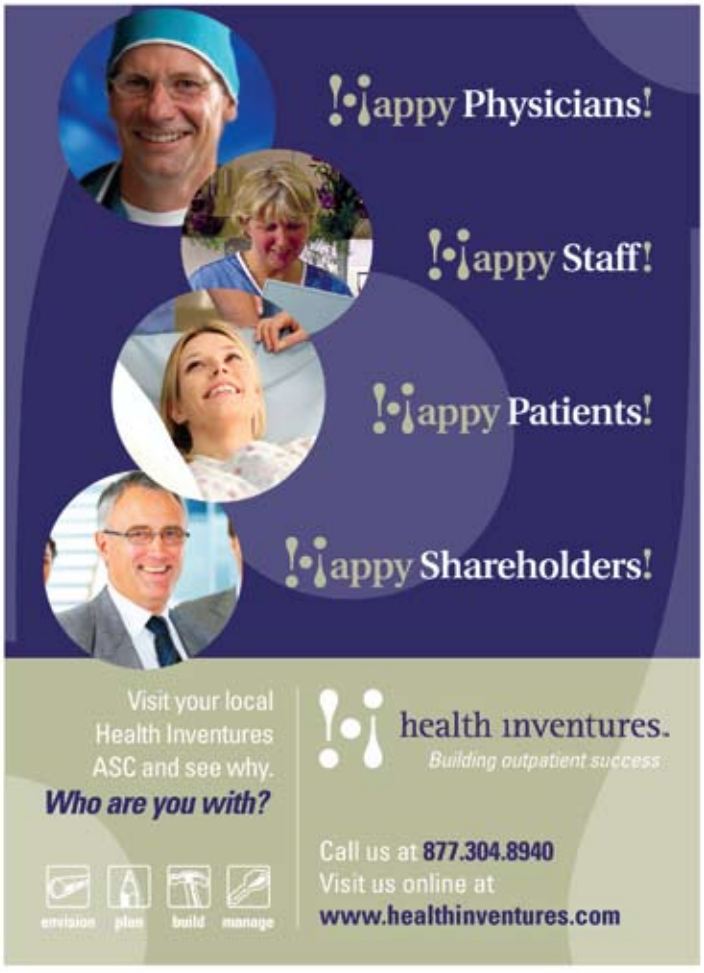
According to Patty Dauses, nurse manager at the center, the center's success stems from its excellent staff. "We have a great staff here that always does what is best for the patient," she says. "Our employees enjoy working here and always make sure the patient is taken care of." www.baltimoreeyephysicians.com

Columbus Eye Surgery Center (Columbus, Ohio). Columbus Eye Surgery Center, which opened in 1996, was the first outpatient surgery center in its area dedicated to eye surgery. The physician-owned facility offers the latest outpatient ophthalmology procedures including cataract, glaucoma, eye lid, retina and laser surgery in addition to cornea transplants, diabetic eye treatment and brow lift surgery. The center is used by almost 30 physicians and features three licensed operating rooms. The center performed approximately 3,900 procedures last year.

According to Toni Van Horn, executive director of the center, Columbus Eye Surgery Center has remained successful because of it continued commitment to treating the eye. The well-established center has chosen to forgo adding other specialties, which it at one time considered, in order to focus only on the eye. "Our dedication to the eye has allowed us to become an efficient center. We have also been able to provide great patient outcomes and offer patients easy access to eye treatment because of this dedication," she says. www.columbuseyesurgerycenter.com

Illinois Eye Center (Peoria, Ill.). Illinois Eye Center is a single-specialty surgical center accredited by the AAAASF. The center offers a variety of ophthalmalic procedures including advanced glaucoma surgery, cataract surgery, corneal transplants, eye muscle and retina surgeries, refractive surgery and implantable contact lens procedures in addition to oculoplastic and reconstructive surgery including eyelid and brow lifts. The center's nine fellowship-trained, board certified ophthalmologists span seven different specialties and host a number of educational events for the local community each year. www.illinoiseyecenter.com

Ophthalmology Surgery and Laser Center (Harrisburg, Pa.). Ophthalmology Surgery and Laser Center is a state-of-the-art, freestanding ASC offering cataract, glaucoma and refractive surgery, conductive keratoplasty and implantable lens services. The single-specialty center, founded in 1994, is home to eight physicians and is accredited by the AAAHC. The center assigns a surgical counselor to each patient whose role is to explain each procedure in detail and answer any questions the patient has about the procedure. www.premiereyes.com/surgery_center.php ■



Opportunities for Growth in Ophthalmology Through Efficiency and Added Services

By Lindsey Dunn

Surgery centers vary greatly in the ophthalmology services they offer; however opportunities for growth exist by making the services currently offered by the ASC more efficient and adding or expanding ophthalmology services.

Identify areas to boost efficiency

David Kwiat, MD, an ophthalmologist and part-owner of Fulton County Ambulatory Surgery Center in Johnstown, N.Y., says that the biggest opportunity to increase revenue in ophthalmology services at ASCs that already offer these services is by increasing ASC efficiency. "Because we, as physicians, cannot control the reimbursement of many of the services we provide, we must work to be more efficient in the ASC as well as in the office," says Dr. Kwiat.

Dr. Kwiat ensures that his ASC is efficient by using the time between procedures to assist ASC staff with their duties. "I personally assist in the turnover of the rooms and help the staff set up before each procedure," he says. "Doing so cuts down on procedure time and eliminates the need for a part-time employee to assist in room turnover."

Satish Modi, MD, an ophthalmologist and founding owner of Dutchess Ambulatory Surgery Center in Poughkeepsie, N.Y., uses two operating rooms — one used almost exclusively for the right eye and the other for the left — to improve his center's surgical efficiency. "It is becoming increasingly popular for physicians to approach a patient temporally, or from the side, rather than at the head of a patient, which has been the old standard," says Dr. Modi. "Using two rooms — one dedicated to each eye — and scheduling accordingly improves efficiency by cutting out any time that might have been needed to move equipment around between procedures."

Dr. Modi also notes that an excellent and well-trained staff is critical to ensuring procedures and room turnover occur in an efficient manner. "Our staff undergoes a number of drills for every possible complication," says Dr. Modi. "Our staff is trained on what needs to be done in every possible situation, so that we can act quickly and efficiently. Necessary instruments for each possible event are separately sterilized and available in the room"

Expand current services

Another way for ASCs to grow their ophthalmology services is to add the specialty, if it's not offered already, and identify ways to expand the types of procedures they offer. If an ASC does not currently offer ophthalmology services, Dr. Modi suggests ASC owners or administrators consider recruiting a local ophthalmologist to their surgery center.

"Current ASC owners should identify local ophthalmologists that are efficient, have good surgical results and an excellent reputation in the community, and consider bringing them into the ASC as an owner," says Dr. Modi.

Ophthalmologists can perform almost 100 percent of their surgical procedures in the ASC setting. However, ASCs just starting to offer ophthalmology services can reap the most benefits from offering cataract services. The capital costs required to accomplish this are relatively small and recouped quickly, according to Dr. Modi.

"Phacoemulsification, or cataract removal, with intraocular lens implantation is by far the most profitable procedure to perform in the ASC setting," says Dr. Modi. "Ophthalmologists who can perform a procedure in less than 15 minutes can be very profitable, earning up to $600 per procedure in profit, given the facility fee here in New York."

Currently, ophthalmologists perform approximately 2.6 million cataract procedures annually in the United States, according to Dr. Modi, and this number is expected to increase.

Dr. Kwiat notes that there will be an increase of the number of cataract cases in the next ten years as a result of the aging baby boom generation. ASCs that are efficiently providing cataract services are likely to experience growth. "The most profitable procedures are still your cataract surgeries," says Dr. Kwiat. "As a result, doing these efficiently is the best way to grow your ASC."

Certain glaucoma and retina treatments can also increase revenue for an ASC. Although the number of glaucoma cases performed at ASCs are decreasing due to medications and office-based treatments, Dr. Modi suggests that ASCs consider offering Endoscopic Cyclo Photocoagulation, a diode laser used for the treatment of glaucoma. "Patients having cataract surgery with concomitant glaucoma may have this procedure also — the patients need for medication is reduced, and the glaucoma is better controlled," says Dr. Modi. "The procedure only adds about two minutes to the overall procedure time, and the ASC increases revenue by having another medically necessary, billable procedure."

Retinal-related procedures can also be profitable for the ASC. Dr. Kwiat has seen an increase in the number of retinal-related cases and suggests that ASCs add these services if they do not currently offer them. "The addition of retina services, such as pars plana vitrectomies, can increase your revenue," he says.

Additionally, Dr. Kwiat suggests that ASCs should look to increase the number of ophthalmology procedures it performs that are paid for out-of-pocket by the patient. "Increasing your cash business through increasing your volume of elective services and cataract upgrades, such as astigmatism correction or presbyopia correction, takes the insurance company out of the procedure, which can improve your bottom line," he says. Dr. Kwiat also recommends that ASCs consider adding a LASIK division, noting that doing so is another way to increase profitability. ■

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Are You Billing for your PC/AC IOL Cataract Cases Correctly?

By Stephanie Ellis, RN, CPC

Did you know that when your ASC facility has a Medicare patient who requests a Presbyopia-Correcting (PC) IOL lens or an Astigmatism-Correcting (AC) IOL lens (instead of a regular IOL) that there are special guidelines that must be followed to stay in compliance with Medicare guidelines? This can be an important compliance problem you can have without even knowing it, so make sure these cases are being handled correctly at your facility.

Billing correctly

First of all, even though Medicare won't reimburse any more than they usually do for regular IOLs for these cases — the usual reimbursement of $150.00 is included in the payment of the 66984, 66982, etc. CPT catract procedure codes — you still need to indicate on the claim form that the PC or AC IOL was used in the case. Bill these special IOLs using the V2788 code for the PC IOL (ReStor, ReZoom and Crystalens) or the V2787 code for an AC IOL (Toric Lenses). It is advisable to append the -GY non-covered modifier and/or the -GA modifier to the appropriate V-code to indicate you have had the patient sign an Advanced Beneficiary Notice (ABN form or waiver). You do not have to have patients sign an ABN since the PC and AC IOLs are never covered by Medicare, but it is a good idea to still have them sign the ABN so that there will be no misunderstandings with patients on their owing portion.

Medicare reimbursement

When you bill the 66984, 66982 or other Cataract Extraction procedure code to Medicare, understand that those codes include the insertion of an IOL in the procedure, and that the payment of the cataract CPT code includes a $150.00 allowance for payment of a regular posterior chamber or anterior chamber IOL. That does not change when you use the PC or AC IOLs in the case, instead of a regular IOL. Your facility is still being reimbursed for the placement of an IOL. Even though it is a different type of IOL, it does not change that you have been paid for the IOL by Medicare.

What are the compliance issues?

Where do the compliance issues come up with these types of cases?

1. When the surgeon wants to purchase the PC or AC IOL for the case and bring it into the ASC for the case, it is a compliance issue. Why? Because Medicare does not allow the ASC to bill for cataract extraction procedures with placement of an IOL with the -52 reduced services modifier or the use of any other billing method to convey to Medicare that the ASC did not supply the IOL and should not be reimbursed for the IOL supply. Since there is no provision to allow the ASC to break out the implant portion of the procedure from the cataract extraction, Medicare requires that the facility *must* supply the IOL for these cataract cases. Medicare considers it to be a False Claim for the ASC to submit a cataract extraction claim for which they are receiving payment for the IOL when the ASC is not supplying the IOL.

2. Medicare does not allow the ASC facility to reimburse the physician for the IOL if the IOL was supplied by the physician in these cases. The IOL must be purchased and supplied by the ASC facility for these cases.

3. Did you know that what you charge patients for the use of the PC or AC IOLs can potentially raise another compliance issue? Did you know that Medicare directs what you can charge patients in these cases? Overcharging patients for these lenses can be a compliance issue. Therefore, you need to be sure you aren't overcharging Medicare patients for these PC and AC lenses. For example, if the Crystalens PC IOL is used and your facility's cost for the lens is $1,100, what can you charge the Medicare patient for the IOL? Keep in mind that you are receiving the $150.00 as usual for the IOL from Medicare as part of the cataract extraction code, so that amount must be subtracted from the amount you charge the patient. Medicare allows you only a modest mark-up on the IOL for handling. That is all you can charge the patient. Medicare does not allow you to charge the patient a massive mark-up (2-3 times cost or more) on these lenses.

Here is an example of how to correctly charge a Medicare patient on a PC or AC IOL for these types of cases:

$1,100.00 Lens cost
- $150.00 Medicare reimbursement for regular IOL
$950.00
+ $50.00 ASC's cost for handling of lens
$1,000.00 Final suggested maximum amount ASC can charge patient

Since physicians can purchase and bring in implants for many other types of cases (i.e., breast implants, etc.), it can seem like it would not be a problem to do the same for these cataract extraction procedures involving PC and AC IOLs; however, it is a process which must be handled differently due to the bundled payment for the IOL in the cataract extraction CPT code. Thus, you might want to review your internal processes on these cases and be sure you are handling these cases in a compliant manner. ■

Note: CPT codes are copyrighted by the AMA.

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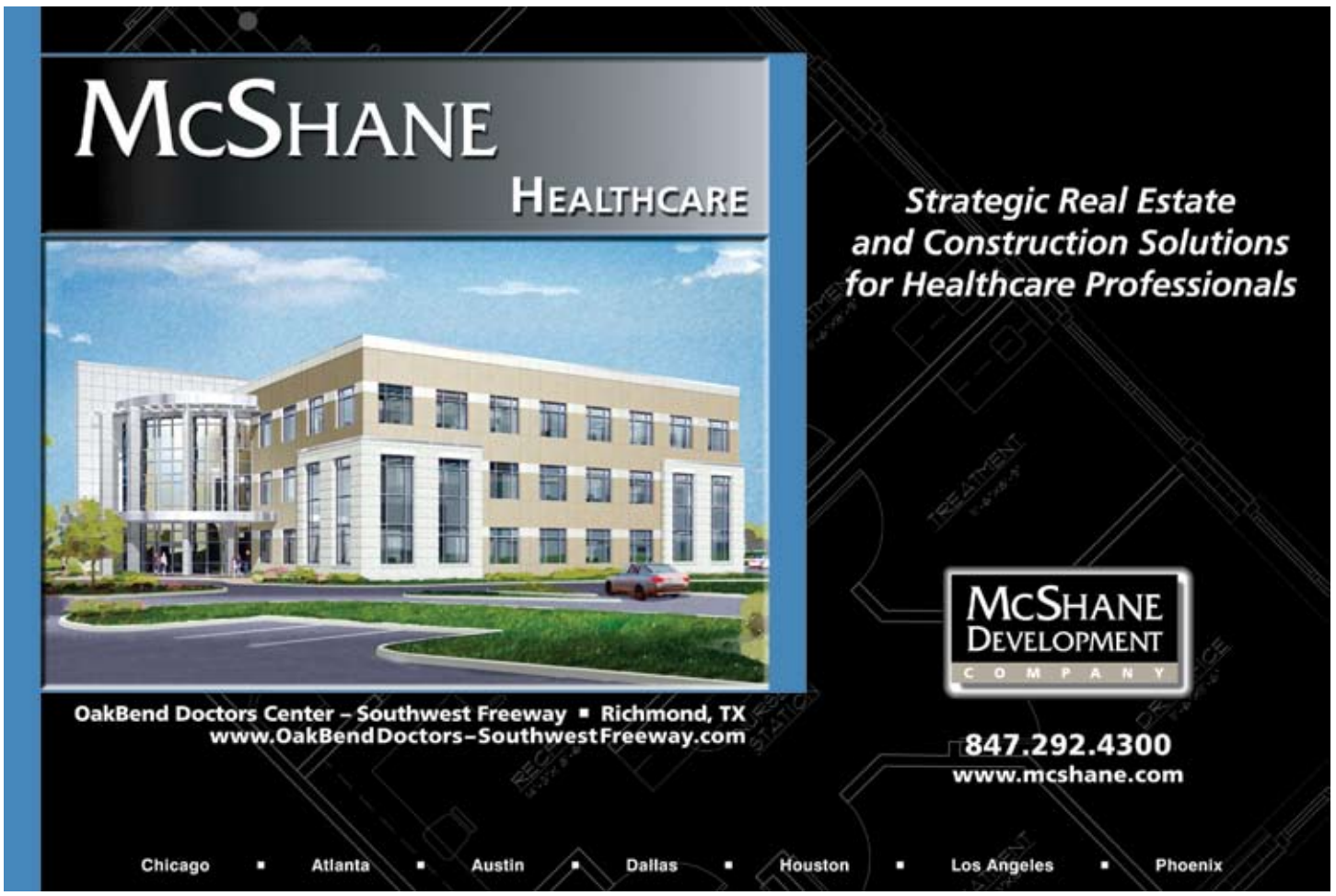

ASC CEO Discusses Surgery Center Benefits as Guest Columnist

By Lindsey Dunn

Kathleen Allman, CEO of Millennium Surgery Center in Bakersfield, Calif., recently appeared as a guest columnist in a monthly business publication that is distributed in her local newspaper, *The Bakersfield Californian*.

Her column discussed healthcare cost control and the role of outpatient surgery centers in reducing healthcare costs.

Although Ms. Allman was approached by the paper for the opportunity, she encourages other surgery center leaders to use the local media to promote the ASC industry.

"I take every opportunity I can to get out the 'surgery center story,'" she says. "Promoting the efficiency of surgery centers to the public is important for our industry and its continued success."

Surgery center leaders can find contact information for local media contacts by calling their local paper and asking to speak with the reporters assigned to the "healthcare beat," or by reading healthcare-related stories published by their local newspaper online. Reporters frequently include their contact information in their byline or at the end of the article.

To ensure that her column best represented the interests of surgery centers, Ms. Allman reached out to the ASC Association for help. Staff at the ASC Association read a draft of her column and offered data and other suggestions to help Ms. Allman tell the surgery center story.

Ms. Allman also suggests that ASC leaders invite their state legislators and local member of Congress to visit their ASCs. Ms. Allman invited Congressman Kevin McCarthy (R-California) to her center during National Open House month, and he observed a laparoscopic cholecystectomy procedure during his time at the center.

"We are always encouraged to contact our Congressmen to get the word out about our industry," she says. "Why not invite them to visit your facility?" ■

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10 Statistics About the Earnings and Growth of Registered Nurses

Here are statistics about the earnings and growth of registered nurses from the Bureau of Labor Statistics' *Occupational Outlook Handbook: 2008-2009 Edition*.

1. Median annual earnings of registered nurses was $57,280 in May 2006.
2. Median annual earnings of the lowest 10 percent earned less than $40,250.
3. Median annual earning of the highest 10 percent earned more than $83,440.
4. Median annual earnings of those employed by general medical and surgical hospitals was $58,550.
5. Median annual earnings of those employed by employment services was $64,260.
6. Median annual earnings of those employed by physician offices was $53,800.
7. Median annual earnings of those employed by home healthcare services was $54,190.
8. Median annual earnings of those employed by nursing care facilities was $52,490.
9. The number of registered nurses employed in the United States in 2006 was 2,505,000.
10. The number of registered nurses employed in 2016 is expected to increase 23 percent to 3,092,000. ■

Source: Bureau of Labor Statistics' *Occupational Outlook Handbook: 2008-2009 Edition*.

Dr. Laxmaiah Manchikanti Discusses Current Trends in Interventional Pain Management

By Renée Tomcanin

Interventional pain management is experiencing challenges and changes both similar to and unique from other specialties in the ASC setting. Laxmaiah Manchikanti, MD, medical director of the Pain Management Center of Paducah and Ambulatory Surgery Center in Paducah, Ky., discusses five current trends in interventional pain management.

1. Services and patients in interventional pain management are increasing. According to Dr. Manchikanti, the number of patients who are seeking interventional techniques in pain management is increasing. Chronic pain is on the rise at around 13.5 percent annually, based on a recent publication from North Carolina, he notes.

"We see no significant increase in the number of epidural visits per year per patient," Dr. Manchikanti says, "but the number of patient visits is increasing."

In addition, more and more patients are looking into interventional techniques to manage their pain. "Retail sales of opioids are increasing," he says. "Methadone retail sales have gone up 1,177 percent from 1997 to 2006."

The increase in pharmaceutical treatment in the specialty leads to specialty-wide concerns about potential drug abuse. According to Dr. Manchikanti, there is "an average of nearly nine Floridians dying each day from prescription drugs, according to 2007 data."

However, interventional pain management physicians are beginning to take strides in order to regulate and cut down on cases where patients are abusing medications.

2. Reimbursement is declining in all areas of interventional pain management. According to Dr. Manchikanti, interventional pain management has been one of the specialties most affected by an overall trend of decreasing reimbursement rates.

Reimbursement rates have seen an 8-36 percent decrease in the ASC setting from 2007 to 2009 for the top nine interventional pain management codes, according to Dr. Manchikanti. Reimbursement rates have also been affected in the office setting but remain relatively unaffected in hospitals.

In addition, expenses are going up in ASCs and in physicians' offices, which further eats into net revenue for interventional pain management cases. "Actual practice cost inflation has gone up 42 percent from 2001 to 2008," he says.

3. Numbers of Medicare beneficiaries are increasing. There is an 11.8 percent increase in the U.S. population who are 65 year-old and over, whereas there is a 12.7 percent increase in Medicare beneficiaries. Like in other specialties, the number of patients on Medicare who are seeing intervention pain management physicians is increasing. According to Dr. Manchikanti, physicians have seen a 17 percent overall increase per year from 1997 to 2006.

This increase in Medicare and Medicaid patients could mean lower reimbursement rates for physicians, especially in interventional pain management. "Medicaid reimbursement is 20 percent less in most states," says Dr. Manchikanti.

Interventional pain management physicians can help their specialty by taking actions to improve Medicare reimbursement. One such action is to change their specialty designation with CMS to "interventional pain management-09," which is the code used by CMS to determine how many physicians are currently identify as interventional pain physicians, according to Dr. Manchikanti.

In addition, Dr. Manchikanti mentions the importance of the American Medical Association's practice expense survey.

"This is how CMS calculates physician payments," he says. "If there are enough people who respond, they can accurately measure the rate of increase in practice expenses. We have just completed a survey and hope this will reflect our true expenses for physician services."

4. Improving the image of interventional pain management is essential for the specialty's success. Interventional pain management as a specialty is prone to many misconceptions, according to Dr. Manchikanti.

"Many surgeons and internists have had bad experiences when they sent patients to pain specialists," he says. "In addition, many have varying ideas on what the specialty actually is, and some even claim that there is 'no scientific basis' for what we do."

Part of the reason this misconception over the specialty remains is due to "abuse" and overuse of pain management techniques on their patients by some physicians, specialists and family physicians.

As a result, Dr. Manchikanti says that better documentation of what procedures have been performed on patients is necessary to track this abuse.

"A physician should not perform a pain procedure unless it is medically necessary," he says. "We ask them to follow the 'yo' mama test,' meaning the physician should be willing to perform the procedure on his own mother, realizing that he has two bigger brothers who love her more than he does who are watching out for her."

Another problem is that some practitioners tend to perform epidurals, facet joint blocks, and sacroiliac joint blocks on the same patients in the same setting without proper diagnosis.

Dr. Manchikanti says that in order to combat this abuse of the system, accreditation of physicians and centers is important. "Patients should only be treated by a well-trained, qualified physician in an accredited setting," he says.

In addition to worries over unnecessary or unneeded treatments, there is concern over drug abuse in pain management treatment, as mentioned previously. Dr. Manchikanti suggests that one way to control this, and to cut down on abuse in both treatment and medication, is to create a nationwide monitoring system.

For instance, in Florida, based on 2006 utilization data, 47 percent (20 percent nationally) of facet joint interventions were performed by family physicians rather than in a specialist's office. This allowed a patient to be treated at the family practice and then move to the specialist for another prescription. Because there is no regulation, it is difficult for physicians to tell when a patient has been treated at another location.

Florida is trying to regulate clinics, which is helping to reduce this problem, but according to Dr. Manchikanti, it remains an issue.

Because of these issues, the American Society of Interventional Pain Physicians has proposed the development of the National All Schedules Prescription Electronic Reporting Act (NASPER), a nationwide, physician-friendly system to help provide better monitoring of patients. This will enable physicians to track how a patient had previously been treated when they move to a new area or state. Such a system will help physicians stay aware of what medications their patients are on and if they are seeing other physicians, says Dr. Manchikanti.

Members of ASIPP in Illinois have made advances and created a system for use in that state. Kentucky is one of the first states to create an effective electronic system that includes all patient information.

However, Dr. Manchikanti notes that a nationwide system is still the goal for interventional pain management physicians.

One of the biggest hurdles preventing the creation of the system is funding. "Doctors should get involved," Dr. Manchikanti says.

5. Interventional pain management centers are feeling the effects of the economy. As many centers in the United States face problems during the economic downturn, interventional pain management physicians are among those who have been affected.

"Many centers are going out of business," says Dr Manchikanti, "because they can't control expenses."

He suggests that physicians who are concerned about the effects of the economy on their centers have to be very intelligent when thinking of solutions. One area that he says is most important is to optimize billing in the center.

Most importantly, Dr. Manchikanti emphasizes the importance of quality in keeping a center healthy. "You must provide good care," he says. "Also, we must all get involved to preserve not just our own practice, but the entire specialty." ■

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10 Statistics About Surgery Centers With More Than 50% Orthopedics

Here are 10 interesting statistics about surgery centers with greater than 50 percent of their case volume in orthopedics, from the VMG Health *2008 Intellimarker*.

1. The average net revenue for facilities with more than 50 percent orthopedics is $5.5 million. The median net revenue is $4.3 million.

2. The average total operating expenses for centers with more than 50 percent orthopedics is $4.1 million. The average EBIDTA is $1.6 million.

3. The average center with more than 50 percent orthopedics performed an average of 2,800 cases annually, which averages to 11.2 cases daily.

4. The average center with more than 50 percent orthopedics has 11,547 square-feet, 3.24 operating rooms and two procedure rooms.

5. The average net revenue per orthopedics case for centers with more than 50 percent orthopedics was $2,328.

6. The operating expenses per case in centers with more than 50 percent orthopedics is $1,621 on average. The average operating expenses per OR is $1.2 million.

7. Centers with more than 50 percent orthopedics spend an average of $1.1 million on employee salary and wages.

8. The average number of full-time equivalent employees at surgery centers with more than 50 percent orthopedics is 20.1 — 10.4 nurse FTEs, 4.5 technical FTEs, 6.4 administrative FTEs and 1.1 administrator FTEs.

9. Here are the average hourly salary and wages and administrator's salary for surgery centers with more than 50 percent orthopedics:

- Nursing staff — $30.46
- Technical staff — $19.36
- Administrative staff — $19.16
- Administrator — $82,020

10. Here are the average staff hours per case for surgery centers with more than 50 percent orthopedics:

- Nursing staff — 7.8
- Technical staff — 4.1
- Administrative staff — 5.5
- Administrator — 1.2 ■

Source: VMG Health 2008 Intellimarker. Visit www.vmghealth.com.

4 Things to Know About Bundled Pricing by ASCs

By Lindsey Dunn

Bundled pricing — the act of grouping together facility and other fees — is an increasingly used practice by ASCs, although the ways in which ASCs employ bundled pricing varies greatly.

Here are four things to know about bundled pricing use by ASCs to help you make the most of the opportunities this practice presents.

1. Expect to see an increased use of bundled pricing. The use of bundled pricing is expected to increase in the coming years with both private and public payors.

CMS is leading the fight for the use of bundled pricing because of the savings it can provide, and experts expect other payors to expand their use of this reimbursement strategy as well. Payors who have bundled fee agreements with providers can save money by reducing administrative costs and gain more certainty about total costs.

Peter Kongstvedt, principal of P.R. Kongstvedt Co. and an independent healthcare expert with particular expertise in managed care, expects that the increased push for bundling by CMS will cause private insurers to expand the use of bundled fees in their contracts.

"Bundling more and more fees, such as facility, equipment and professional service fees, into one package is very much in the sights of CMS," he says. "CMS makes and breaks markets, and I believe that in this case, CMS is going to accelerate the market for comprehensive bundled prices."

Craig Jeffries, Esq., a healthcare public policy consultant, concurs. "Medicare would very much like to see entire episodes of care bundled — facility fees, professional fees, device fees and pre-surgery to follow-up professional fees," he says.

Although CMS is currently only exploring the use of comprehensive bundled fees at hospitals with its Acute Care Episode Demonstration project, Mr. Jeffries indicated that with new direction from healthcare reform, CMS will eventually turn toward implementing bundled fees at other types of facilities, such as ASCs, and that private insurers will likely follow.

2. ASCs often offer the most encompassing bundled fees to private insurers and patients. ASCs have been offering some of the most compressive bundled fees to private insurers and patients for many years.

Tom Mulhern, executive director at Limestone Medical Center in Wilmington, Del., says that his facility has been using bundled pricing for more than 10 years. According to Mr. Mulhern, in the early days of ASCs, insurance companies did not entirely understand how to pay surgery centers for their services. ASCs began to realize that by bundling fees, they could draw in insurance contracts with low prices and guaranteed pricing.

Limestone currently has approximately 3,000 bundled fee arrangements for various procedures with different payors. Mr. Mulhern says that the largest of these bundled fees include payment for facility, surgeon fees and anesthesia, which goes directly to the surgery center.

Mr. Mulhern believes this type of arrangement with private insurers is fairly unique to ASCs. "To the best of my knowledge, ASCs are cur-

rently the only type of medical facility to offer bundled fee packages to private insurers that encompass the big three — facility fees, surgeon fees and anesthesia fees," he says.

For example, a facility might charge a bundled fee of $6,500 to an insurer for a breast augmentation. Of that $6,500, which is paid directly to the surgery center, $1,500 would go toward the facility fee, $500 would go to the anesthesiologist for his or her services and the remaining $3,500 would be paid out to the physician for his or her services and for any implantable devices required for the procedure.

Limestone's bundled fee arrangements cover many different procedure types. However, Limestone is unique in the breadth of bundled fees it offers. Most surgery centers limit their use of bundled fee arrangements to specific procedure types, such as plastic surgery.

Joseph Zasa, JD, a partner at Woodrum/ASD, a leading developer and manager of ASCs, says that bundled fees are "not widely used outside plastics."

In addition, not all bundled fees used by ASCs are comprehensive, encompassing facility, surgeon and anesthesia fees.

Mr. Zasa says that the surgery centers he works with typically bundle facility and anesthesia fees separately from physician and device fees. "Facility and anesthesia fees are paid by the patient [for an elective, plastic surgery procedure] in full, prior to the surgery," he says. "The surgeon's fee, which is assessed in 15 minute increments, and the cost of the device, if applicable, are then paid by the patient after the surgery."

3. Large bundles can create a win-win situation for ASCs, insurers, physicians and patients. The use of large, comprehensive bundles creates benefits for ASC, insurers, physicians and patients.

Insurers benefit from bundled fees with ASCs because they save the insurer money, says Mr. Mulhern. "The insurers that I work with are eager to develop bundled fees with our ASC because it costs them less if their policy holder has a procedure at an ASC as opposed to a hospital. They can't pay physicians better rates to encourage them to use our facilities, but they can allow us to determine a reasonable payment."

ASCs that are willing to work with insurers on cost-saving bundles may be named preferred providers for that insurer, which also benefits the ASC's bottom line. "Insurers are always looking to pay less," says Mr. Kongstvedt. "If a surgery center offers packages that save an insurer money, an insurer may name that center as a preferred provider and direct people toward that center, giving the center more business."

Patients, many of whom now must pay a certain percentage of coinsurance for procedures, benefit from these arrangements because they will pay less in out-of-pocket expenses than if the procedure was performed at a costlier facility.

Patients and insurers also benefit from the convenience of bundled billing. Insurers only need to cut one check, and patients do not have to deal with bills and statements of coverage that list numerous codes and fees. Additionally, patients undergoing elective surgery that is not covered by insurance also benefit from bundled fee arrangements because the will know going into a surgery the likely costs of a procedure.

4. ASCs should actively look for beneficial bundling opportunities. It is presently more common that insurers will approach facilities about developing bundled fees, according to Mr. Kongstvedt. However, ASCs can benefit from approaching insurers with the right bundled packages.

Mr. Mulhern suggests ASCs explore using bundled fees with insurers to attract procedures in specialty areas such as ENT and orthopedics to the outpatient setting. "Although ASCs do a number of orthopedic procedures, not many ASCs are doing ACLs or rotator cuffs. There's an opportunity there to bring procedures to ASCs that are now being done in hospitals," he says. ■

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Impact of the Recession on ASCs: Q & A with Mike Lipomi of RMC MedStone Capital

Mike Lipomi, president of RMC MedStone Capital, discusses the impact of the recession and the current financial market on ASCs.

Q: How is the current recession impacting ASCs?

Mike Lipomi: Overall, there has been a minimal affect on most ASCs. We have what I would call a false economy in healthcare. What I mean by that is patients are already receiving a discount for services, assuming they have healthcare coverage, so the demand curve is less likely to be affected even in tough economic times. It is different for other sectors. For example, car companies may discount a vehicle to make it more attractive to buyers when money is tight and as the demand curve lowers. That's not an issue in healthcare where you are paying only a fraction of the cost of what a procedure is worth to you. For example, a patient might only pay a $500 deductible to go in and get hernia or gallbladder surgery that's worth $5,000 to them. Thus, the general economic condition of the country does not impact ASCs as much as it does other industries. However, the economy has had a much larger impact on certain specialties, like cosmetic surgery. Elective procedures are where we're seeing the biggest impact. If you've got a hot gallbladder, you are going to have that surgery no matter what it costs, but you may hold off on getting an elective procedure, like a rhinoplasty.

Q: What are your views on the current ASC market?

ML: I think the current market for ASCs is strong. I think physicians are realizing in these economic conditions the importance of having control over an investment and a seat at the governance table. Physicians will learn the value of practicing in an efficient center. They can't afford to sit in the doctors' lounge and wait. These conditions will make them look for a more efficient place to practice and that will benefit ASCs.

Q: How will the recently passed economic stimulus package affect ASCs?

ML: Well, I don't think any ASCs will be getting checks, and I don't think that the TARP or current stimulus package go far enough to ease the credit crisis. However, if the government continues to pour funds into a stimulus package, that should free up the credit market. It will allow ASCs to borrow money, which will allow ASCs to expand or purchase equipment and grow the industry. The stimulus package is the first step in freeing up credit markets and that will allow new centers to be built and existing centers to grow.

Q: What are the biggest challenges facing ASCs?

ML: One of the biggest challenges will be the growing unemployment rate. More of the population will lose their health insurance and their Cobra benefits. The impact of this is twofold. The first may be an influx of patients over the next 3-12 months. If someone has been putting off a procedure and knows his or her benefits will run out soon, you can bet that person will get the procedure soon. Secondly, the growing rate of uninsured individuals could eventually make it difficult for ASCs and hospitals to maintain their case loads. If a significant portion of the population does not have insurance and is forced to self-pay for procedures, ASCs and hospitals could see a decrease in the number of procedures performed. ■

Mr. Lipomi (ssurgery@aol.com) is president of RMC MedStone Capital (www.medstonecapital.com), a company focused on acquiring ASCs and small hospitals, focused on surgery, in partnership with physicians.

Resources

National trade associations

The ASC Association. The ASC Association is a membership and advocacy organization that provides member benefits and services; combats legislative, regulatory and other challenges at the federal and state levels; assists state ASC associations; enhances ASC representation at the state and federal levels; and established a political action committee. The other arm of the ASC Association, the Ambulatory Surgery Foundation, is an educational and research organization. To learn more, contact Kathy Bryant, president, at (703) 836-8808 or e-mail asc@association.org.

Physician Hospitals of America. PHA offers support, advocacy and educational services to the physician-owned hospital industry. PHA envisions a healthcare system focused primarily on patient care, in which physicians are involved in every aspect of delivery. For more information, visit www.physicianhospitals.org or contact Molly Sandvig, JD, executive director, at (605) 275-5349 or e-mail info@physicianhospitals.org.

Accreditation

The Accreditation Association for Ambulatory Health Care. AAAHC, founded in 1979, has become a leader in ambulatory health care accreditation with more than 4,000 organizations accredited nationwide. For more information, visit www.aaahc.org or call (847) 853-6060.

The Joint Commission: Ambulatory Care Accreditation Program. The Joint Commission has been accrediting ambulatory surgery facilities since 1975, and has more than 1,600 ambulatory organizations accredited nationwide. For more information, visit www.jointcommission.org/asc or call (630) 792-5286.

Anesthesia staffing and practice management

Anesthesia Healthcare Partners. AHP was established in 1997 as an anesthesia staffing and practice management company and provides turnkey anesthesia practices and anesthesia management services for hospitals, surgery centers and office-based practices of all sizes. To learn more, visit www.ahphealthcare.com or call (800) 945-6133.

Somnia. Somnia, founded in 1996, is one of the most experienced physician-owned and operated anesthesia management company servicing healthcare facilities nationwide, specializing in building and comprehensively managing world-class anesthesia teams that consistently deliver the highest quality of patient care. Visit Somnia at www.somniainc.com or call (877) 476-6642, ext. 3538.

Superior Medical Services. SMS is a full-service medical recruitment firm specializing in permanent and locum tenens placement of anesthesiologists, CRNAs and pain management physicians nationwide. Visit SMS at www.smsanesthesia.com or call (847) 816-9296.

Surgical Anesthesia Services. SAS delivers comprehensive anesthesia services exclusively to ASCs across the United States, with each ASC receiving a dedicated anesthesia team which does not rotate between competing facilities. Learn more about Surgical Anesthesia Services at www.surgicalanesthesia.net or call (866) 733-6231.

Back-office management, outsourcing and accounting

MedHQ. MedHQ provides accounting, revenue cycle, human resources and credentialing services to clients in 10 states. Learn more at www.medhq.net or call (708) 492-0519.

Somerset CPAs. Somerset's healthcare team is comprised of more than 20 dedicated professionals serving clients nationwide, including all types of healthcare organizations — ancillary service providers, surgery, imaging, infusion and dialysis centers, therapy facilities, other relevant ancillaries and physician groups. For more information, call (800) 469-7206 or visit Somerset CPAs online at http://healthcare.somersetcpas.com.

Billing, coding and collecting

Advantedge Healthcare Solutions. Advantedge Healthcare Solutions, an IBM Business Partner, develops medical billing technology and offers billing and A/R services for ASCs. Visit www.ahsrcm.com or call (877) 501-1611.

Alternate Medical Billing Systems. Alternate Medical Billing Systems provides a number of medical billing services including claim filing, billing statements, coding, payment posting, denials/rejections analysis and much more. Learn more at www.alternatebillingmn.com or call (866) 513-0129.

ASC Billing Specialists. ASC Billing Specialists is a billing company dedicated to the needs of the ASC market, specializing in both out-of-network and in-network facilities. For more information, call (602) 298-2653 or visit www.ascbill.com.

The Coding Network. The Coding Network is committed to provide cost effective state-of-the-industry procedural and diagnostic coding support to medical groups, academic practice plans, hospitals, ambulatory, surgery centers, and billing companies throughout the United States. Learn more at www.codingnetwork.com or call (888) 263-3633.

GENASCIS. GENASCIS provides transcription, coding, billing and collection services for all specialties; these services, coupled with MEDIBIS, the company's proprietary analytical tool, can help ASCs maximize revenue, cash flow and profitability. Learn more at www.medibis.com or call (866) 208-7348.

Healthcents. Healthcents is an ASC and physician specialty hospital contracting, software and consulting group with extensive experience helping ASCs negotiate contracts. To learn more about Healthcents, visit www.healthcents.com or call (831) 455-2695.

MedBridge Surgery Center Billing. MedBridge Surgery Center Billing partners with ASCs to help maximize reimbursement, offering an aggressive appeals process which, coupled with its expertise in ASC billing, can help clients to increase collections while focusing on patient care. Learn more about MedBridge Surgery Center Billing at www.medbridgebilling.com or call (888) 282-7472.

MediGain. MediGain is a full-service revenue cycle management company providing billing and collection services that can help ASCs and hospitals increase revenues, get claims paid faster, deploy the latest technologies, improve efficiencies and streamline their back office to better focus time and effort on patient care. Find out more about MediGain at www.medigain.com or call (214) 952-6602.

National Medical Billing Services. NMBS specializes in freestanding outpatient surgery center coding and billing, offering a cost-effective service, subject matter experts and integrity in business relationships. To learn more about NMBS, call (636) 273-6711 or visit www.asccoding.com.

Serbin Surgery Center Billing. SCB was founded in 2001 to provide solutions for ASCs' billing and collection needs. For more information, contact SCB at (866) 889-7722 or visit www.ascbilling.com.

Specialty Billing Solutions. Specialty Billing Solutions offers a cost-effective alternative to your typical in-office billing department.while positively impacting your bottom line. For more information, visit Specialty Billing Solutions at www.pinnacleiii.com/services/cbo/cbo_services.htm or call Dan Connolly, vice president of development and payor contracting, at (877) 710-3047.

Cataract outsourcing

Sightpath Medical. As a leading mobile ophthalmic services provider, Sightpath Medical's services can provide ASCs with state-of-the-art technology for cataract surgery, SLT, and YAG procedures, offering a low, capped cost-per-procedure model with no maintenance fees. To learn more about Sightpath Medical, call (800) 728-9615 or visit www.sightpathmedical.com.

Vantage Outsourcing. Vantage Outsourcing is a leading supplier of safe and effective cataract surgery services; the company can help doctors, hospitals and surgery centers perform many high-quality cataract surgeries each year with increased productivity at lower costs. Visit www.vantage-technology.com or call (217) 342-4171 to learn more.

Compounding pharmacies

JCB Laboratories. JCB Laboratories is a compounding pharmacy that serves the ASC marketplace. Contact CEO Brian Williamson, PharmD, at (877) 405-8066 or visit www.jcblabs.com for more information.

Construction and architectural firms

BBL Medical Facilities. BBL Medical Facilities is a single-source business unit with plan, design, build and development capabilities, and has been developing attractive, efficient and cost-effective medical facilities for more than 30 years. Learn more at www.bblmedicalfacilities.com or call (888) 450-4225.

Erdman (A Cogdell Spencer Company). For more than 50 years, the name Erdman has been synonymous with the delivery of innovative healthcare facility solutions. For more information, visit www.erdman.com or call (608) 410-8000.

Marasco & Associates. Marasco & Associates is a national architecture and consulting firm, dedicated to providing quality facility design and development assistance for outpatient medical facilities, private physician groups, hospitals and institutional clients. Contact the Marasco & Associates office at (877) 728-6808 or visit www.marasco-associates.com for more details.

McShane Medical Properties. McShane Medical Properties is an integrated design/build construction and real estate development firm offering comprehensive services for the healthcare industry. Contact John Daly, vice president, healthcare, at (847) 692-8616 or visit the firm's Web site at www.mcshane.com for more information.

Raymond Fox & Associates. Raymond Fox & Associates is a full-service medical architectural firm that has completed over 4,000 projects ranging from small, single-specialty offices to large, multi-specialty medical office buildings and has been involved in over 400 surgical centers. Learn more at www.raymondfox.com, call (619) 296-4595 or e-mail Raymond Fox at ray@raymondfox.com.

Consultation and brokerage of ASCs

ASCs Inc. ASCs Inc. helps physician-owners of ASCs form strategic relationships with leading ASC management companies and hospitals, and also represents physician-owners of ASCs and medical office building real estate. For more information contact Jon Vick, president, at (760) 751-0250 or visit www.ascs-inc.com.

Debt collections

Affiliated Credit Services. Affiliated Credit Services is a Colorado-based professional account receivables management firm which focuses on increasing businesses' cash flow by providing superior collection services. Learn more at www.acscollects.com or call (970) 867-8521.

Mnet Collection Agency. Mnet Financial, the preferred collection agency service vendor to United Surgical Partners and Health Inventures, is a receivables management company offering cost-effective ways to increase cash flow and reduce debt for professional services. Contact Mnet Financial at (949) 680-3335 or learn more at www.mnetfinancial.com.

Professional Finance Company. PFC is a full-service accounts receivable management company serving credit grantors for over 100 years with integrity and results. Visit PFC online at www.professionalfinancecompany.com or call (970) 352-5000.

For more information or an introduction to any of the following companies, e-mail sbecker@mcguirewoods.com, call (800) 417-2035 or fax with the company circled to (866) 678-5755.

For more information or an introduction to any of the following companies, e-mail sbecker@mcguirewoods.com, call (800) 417-2035 or fax with the company circled to (866) 678-5755.

Finance

Bank of America. Whether your need is to expand due to growth, acquisition or merger, or make a strategic investment, Bank of America offers ASCs flexible equipment finance options with competitive rates. For more information, contact balhealthcarefinance@bankofamerica.com or call (800) 835-8488.

GE Healthcare Financial Services. GE Healthcare Financial Services' outpatient finance team offers flexible solutions for physician-owned hospitals and outpatient centers. Learn more at www.gehealthcarefinance.com or call (312) 441-7705.

Physicians Capital. This Nashville-based firm provides loans based solely on the future cash flow of a surgery or diagnostic center. Learn more at www.physicianscap.com or call (615) 342-0824.

Group purchasing organizations

Amerinet. As a leading national group purchasing organization, Amerinet strategically partners with healthcare providers to reduce costs and improve quality through its Total Spend Management solutions and operational performance improvement programs, tools and services. To learn more about Amerinet, visit www.amerinet-gpo.com or call (800) 388-2638.

Health information technology providers

Amkai. Amkai is a software company with 20-plus years of experience delivering administrative and clinical solutions to ASCs, surgical hospitals and physician practices. Learn more at www.amkai.com or call (866) 265-2434.

Count Me In. Count Me In provides large enterprise time tracking tools and innovative biometric technology solutions scaled for small business needs and budgets. Find out more at www.countmeinllc.com or call (847) 981-8779.

Experior Healthcare Systems. Experior is a leading developer in software solutions for ASCs (SurgeOn) and medical practices (ExpertPM); Experior's solutions are fully integrated and interface with other third-party software products to compliment your center's needs. For more information, call (800) 595-2020 or visit www.experior.com.

GHN-Online. GHN-Online is an industry innovator in online enterprise class healthcare transaction processing. Visit www.ghnonline.com or call (214) 696-5717 to learn more.

Mavicor. Mavicor is an ASC technology management company specializing in ASC application services, systems integration and consulting services, as well as the procurement and management of hardware and software. Learn more about Mavicor at www.mavicor.com or call (888) 387-1620.

Mednet. Mednet is a software technology company, led by a group of professionals from the ASC market who understand the core of your business practice and its unique requirements. Learn more at www.mednetus.com or call (866) 968-6638.

Medtek.net. Medtek.net is a leading provider of medical transcription solutions for healthcare providers and healthcare organizations, with clients including hospitals, ASCs, clinics and physician practices. Visit www.medtek.net or call (818) 673-2900 to learn more.

ProVation Medical. ProVation Medical has created ProVation EHR, the first electronic health record designed for busy, cost-conscious ASCs. For more information, e-mail Laura Gilbert at laura.gilbert@provationmedical .com, or visit www.provationmedical.com or call (612) 313-1500.

QSE Technologies. QSE Technologies is a premiere IT systems integrator serving the ambulatory healthcare industry for more than five years. For more information, contact Marion K. Jenkins, PhD, QSE's co-founder and CEO, at (877) 236-0795, or via e-mail at info@qsetech.com or visit QSE's Web site at www.qsetech.com.

SourceMedical Solutions. SourceMedical is a leading provider of outpatient information solutions and services, collectively serving ASCs, and surgical hospitals. For more information, visit www.sourcemed.net or call (800) 719-1904.

Surgical Notes. A preeminent nationwide provider of medical transcription, coding and other related value-added information technology services for the ASC market, Surgical Notes provides transcription, coding and practice management solutions to more than 420 surgery centers and 6,300 physicians in more than 40 states. To learn more, visit Surgical Notes online at www.surgicalnotes.com or call (214) 821-3850.

zChart EMR. zChart EMR, a first-rate, intelligent, 21st-century surgical chart, was developed by dozens of healthcare professionals — administrators, office staff, nurses and physicians — at multi-specialty outpatient surgery centers. For more information, contact Kent Barber at (866) 924-2787 or visit www.zchart.com.

Imaging

Atlantis Worldwide. Atlantis Worldwide is a full-service provider of pre-owned and refurbished diagnostic imaging systems — MRI, CT scanner, C-Arm, X-ray, bone densitometer, mammograph, ultrasound and cath/angio as well as other imaging systems. To find out more, go to www.atlantisworldwide.com or call (800) 533-3356.

Insurance

Medical Protective. Medical Protective is a national leader in primary medical professional liability coverage and risk solutions to healthcare providers. To learn more, call (800) 463-3776 or visit www.medpro.com.

Managed care contracting

Eveia Health Consulting & Management Company. Founded by I. Naya Kehayes, MPH, Eveia Health Consulting & Management is comprised of a team of seasoned professionals who are experts in reimbursement management, managed care contracting and business management with a specialization in ASCs and surgical practices. For more information, call Ms. Kehayes at (425) 657-0494 or visit www.eveia.com.

Management, consulting and strategy

TRY Health Care Solutions. TRY Health provides consulting services to large healthcare systems, group practices, independent physicians and surgery centers throughout the United States. You can contact Tom Yerden, president, at (208) 865-2400 or send him an e-mail at TYerden@aol.com.

Management, development and equity firms

Ambulatory Surgery Centers of America. ASCOA is a leader in the surgery center industry, achieving exceptional quality of care and outstanding financial results. For more information, visit ASCOA online at www.ascoa.com or call (866) 982-7262.

Ambulatory Surgical Group. The Ambulatory Surgical Group team has been involved in the syndication, development and management of some of the most successful centers in the country. Learn more about ASG at www.ambulatorysurgicalgroup.com or call (973) 729-3276 (East Coast) or (310) 531-8231 (West Coast).

Blue Chip Surgical Center Partners. Blue Chip holds an equity stake in its projects and also serves as a managing partner, with several highly profitable, physician-led centers in operation around the country and a number of projects in the works. For more information, visit Blue Chip online at www.bluechipsurgical.com or call (513) 561-8900.

Cirrus Health. Cirrus Health is a health services organization, specializing in the development and acquisition of ASCs, short-stay and community hospitals, serving local communities by partnering with physicians and other healthcare providers to deliver excellence in patient care in effective, caring environments. For more information, visit www.cirrushealth.com or call (214) 217-0100.

Congero Development. Congero provides management and development services to surgical centers and other types of healthcare facilities; Congero is a minority owner in its centers and helps with the syndication and all aspects of the operating company. Visit Congero at www.congerodev.com or call (949) 429-5107.

Covenant Surgical Partners. Based in Nashville, Tenn., Covenant Surgical Partners is a privately-held owner and operator of ASCs; it was founded in 2008 by a group of successful, experienced investors, including several seasoned healthcare and financial executives, along with a prominent physician who owns his own surgery center. For more information, contact (615) 345-6903 or visit www.covenantsurgicalpartners.com.

The C/N Group. The C/N Group is a recognized leader in the development, ownership and operation of exceptional healthcare facilities, including ASCs, medical office buildings and diagnostic imaging centers. Visit them at www.thecng.com or call (219) 736-2700.

Facility Development and Management. Facility Development and Management is a for-profit company that provides consultative, developmental and managerial services for ASCs throughout the United States. To learn more, visit the Web site www.facdevmgt.com or call (845) 770-1883.

Foundation Surgery Affiliates. FSA is a healthcare management organization specializing in project development, innovative facility design, partner recruitment and facility operations for ASCs, medical office buildings, surgical hospitals and bariatric hospitals and healthplexes. More information about FSA can be found at www.foundationsurgery.com or call (405) 608-1700.

HealthMark Partners. HealthMark Partners owns and operates single and multi-specialty ASCs throughout the United States by creating joint-ventures with physicians or physicians and hospitals. Please visit the company Web site at www.healthmarkpartners.com, e-mail Senior Vice President – Development Kenny Spitler at kspitler@healthmarkpartners.com or call him at (615) 341-0701 to learn more.

Health Inventures. Health Inventures provides strategic and business planning, joint venture formation, facility development and operations management for ASCs; since 1995, it has provided support to hospitals and health systems throughout the United States and currently manages nearly 40 ASCs. Learn more at www.healthinventures.com or call (720) 304-8940.

Medical Consulting Group. MCG is a national firm specializing in medical consulting, both at the surgical practice and corporate levels; MCG provides ASC development and management solutions for single, multi-specialty and hospital joint-venture facilities. Learn more at www.medcgroup.com or call (417) 889-2040.

Medical Facilities Corp. MFC is a publicly-traded company and a leading acquirer of majority interests in high-quality specialty hospitals and ASCs. Visit MFC's Web site at www.medicalfacilitiescorp.com or contact Steven Hartley at (866) 766-3590, ext. 105.

MedStone Capital. RMC MedStone Capital combines the strength of several industry standards like Mike Lipomi, Tim Noakes and the Stanislaus Surgical Hospital of Modesto, Calif., with one of the leading real estate companies in Dallas, RM Crowe, to form a very strong team. You can see more information on MedStone at www.medstonecapital.com or call Mr. Lipomi directly at (209) 602-3298.

Meridian Surgical Partners. Meridian Surgical Partners aligns with physicians in the acquisition, development and management of multi-specialty ambulatory surgery centers and surgical facilities. E-mail Kenny Hancock, president and chief development officer of Meridian, at khancock@meridiansurg.com or call him at (615) 301-8142 for more information.

National Surgical Care. National Surgical Care is a nationwide owner and operator of ASCs, focuses on addressing the needs and problems confronting surgery centers across the country. Contact Rick Pence at (866) 866-2116 at rpence@natsurgcare.com.

National Surgical Hospitals. NSH acquires and builds freestanding, specialty surgical hospitals concentrating in orthopedic surgery, neurosurgery, and more complex general surgery cases; under the hospital license, these hospitals can also provide related services such as pain management, imaging and physical therapy. To learn more, visit www.nshinc.com or call Dennis Solheim at (312) 627-8428.

Nikitis Resource Group. Nikitis Resource Group is a new ASC development, management and consulting firm with a team that encompasses more than 100 combined years of ASC development and management experience, HOPD and hospital consultation experience and licensure and accreditation assistance to centers. To learn more, contact Dawn McLane, chief development officer, at daquay@aol.com or call (720) 320-6577.

NovaMed. NovaMed acquires, develops and operates ASCs in partnership with physicians. For more information, visit NovaMed at www.novamed.com or call (312) 664-4100.

Nueterra Healthcare. Nueterra Healthcare partners with physicians and hospitals to develop and manage community hospitals, surgical hospitals, ASCs and physical therapy centers including new development, joint-ventures, acquisitions and turnarounds. For more information e-mail Denise Mayhew at dmayhew@nueterra.com, call her at (888) 887-2619 or visit Nueterra's Web site at www.nueterra.com.

Orion Medical Services. Orion Medical Services offers a turnkey approach to ASC development and management by covering all aspects of a project from financial feasibility analysis to site and operational development. For more information, visit Orion Medical online at www.orionmedicalservices.com or call (541) 431-0665.

Physicians Endoscopy. Physicians Endoscopy develops and manages endoscopic ASCs in partnership with practicing GI physicians and hospitals. Visit the company on the Web at www.endocenters.com, e-mail John Poisson at jpoisson@endocenters.com or call him at (215) 589-9003.

Pinnacle III. Pinnacle III specializes in the operational development, management, payor contracting, coding, billing, and collecting for ASCs..For more information, visit Pinnacle III online at www.pinnacleiii.com or call Dan Connolly, vice president of development and payor contracting, at (877) 710-3047.

Practice Partners. Practice Partners in Healthcare takes great pride in the development, management and equity ownership with its physician and hospital partners. E-mail Larry Taylor at ltaylor@practicepartners.org, visit Practice Partners online at www.practicepartners.org or call (205) 824-6250.

Prexus Health. Prexus Health is a 100 percent physician-owned company that specializes in the development and management of multi-specialty, physician-owned ASCs and small hospitals. For more information, call (513) 454-1414, e-mail Prexus at info@phcps.com or visit the Web site at www.prexushealth.com.

Regent Surgical Health. As buyers, developers and managers of outpatient surgery centers and physician-owned hospitals around the country, Regent Surgical Health is an experienced developer and specialist in turnaround situations. You can learn more by visiting Regent Surgical Health online at www.regentsurgicalhealth.com or call (708) 492-0531.

Surgical Care Affiliates. Surgical Care Affiliates is one of the nation's largest providers of specialty surgical services; through its affiliation with 18 health systems and more than 2,000 physician partners, it operates 128 surgical facilities across the country. Learn more about Surgical Care Affiliates at www.scasurgery.com or call (800) 768-0094.

Surgery Consultants of America. SCA is a highly regarded company offering complete ASC development and management services nationwide. For more information about SCA, visit them at www.surgecon.com or call (888) 453-1144.

Surgical Management Professionals. With a seasoned team of healthcare professionals, SMP specializes in the management and development of ASCs and surgical specialty hospitals. For more information, visit SMP's Web site at www.surgicalmanprof.com or call (605) 335-4207.

Symbion. Headquartered in Nashville, Tenn., Symbion is a leading provider of high-quality surgical services across many specialties. Visit Symbion at www.symbion.com or call (615) 234-5900 for more information.

Titan Health. Titan is a nationwide surgery center development, acquisition and management company that partners with hospitals and physicians to develop successful, multi-specialty ASCs. Please visit Titan Health online at www.titanhealth.com; you can also e-mail D.J. Hill, chief development officer, at dhill@titanhealth.com, e-mail Kristen Franz at kfranz@titanhealth.com or call (916) 614-3600.

Texas Health Resources. Texas Health Resources is a healthcare development and management company that serves as a dedicated resource for the analysis, organizational development and operation of specialty healthcare services and hospital/physician joint-ventures. For more information about Texas Health Resources, visit www.tphrhealth.com or call (972) 392-9252.

United Surgical Partners International. United Surgical Partners International was founded in 1998 by Don Steen and the investment firm, Welsh, Carson, Anderson & Stowe, to pursue the ownership and management of ASCs in the United States and the ownership and operation of private surgical hospitals in Europe. Learn more about USPI at www.unitedsurgical.com or call (972) 713-3500.

Woodrum/Ambulatory Systems Development. Founded in 1986 by healthcare professional managers, Woodrum/ASD has offices in Chicago, Dallas and Los Angeles, and is one of oldest continuing, national ASC companies in the United States, having developed and managed ASCs in 46 states for more than 20 years. Please e-mail Joe Zasa at joezasa@woodrumasd.com, call (214) 369-2996 or visit www.woodrumasd.com for more information.

Medical devices — Implants and expedited payment options

Block Imaging International. Block Imaging International is a worldwide provider of refurbished imaging equipment, featuring refurbished digital x-ray, C-arm, MRI, CT, cath/angio, mammography and bone densitometry systems as well as CR, PACS and imagers from all major manufacturers. Learn more at www.blockimaging.com, e-mail info@blockimaging.com or call (888) 694-6478.

Implantable Provider Group. IPG works with providers, facilities, manufacturers and commercial payors to fully manage all aspects of high-cost implantable medical devices. For more information about IPG, visit www.ipgsurgical.com or call Michael Jones at (866) 753-0046.

Medical devices — Reprocessed and refurbished

Mini C Sales. Mini C Sales specializes in providing pre-owned and refurbished FluoroScan, Xi-Scan and OEC Mini C-Arms at a fraction of the cost of new systems. Visitwww.minicsales.com or call (800) 356-4000.

Northern Scientific. Northern Scientific specializes in high-end rebuilt surgical tables and surgical lighting systems, and also offer stainless instrument tables and surgical table accessories. Learn more at www.northernscientific.com, e-mail med@northernscientific.com or call (800) 669-9568.

Medical laundry

ImageFIRST Healthcare Laundry Specialists. ImageFIRST is a leading provider of laundry services for medical practices throughout the continental United States and Puerto Rico, with products including patient apparel, scrubs, lab coats, surgical gowns, bed and bath, and more. For more information, contact Michelle Loiederman, marketing coordinator, at (800) 932-7472 or visit ImageFIRST at www.imagefirstmedical.com.

Medtegrity. The Medtegrity Medical Laundry Network is a $500 million commercial laundry network comprised of one of the largest and most successful independent and family-owned laundries in the United States. Contact David Potack at (888) 546-3650 or visit www.medtegrity.us.

Outsourced medical implantable device management solutions

Access MediQuip. Access MediQuip is one of the largest and most experienced providers of outsourced implantable device management solutions to the healthcare industry. For more information, call (877) 985-4850 or visit www.accessmediquip.com.

Patient financing options

CareCredit: Patient Payment Plans. CareCredit lets your patients pay their current bills in-full immediately with the use of convenient monthly payments. Call (800) 300-3046, ext. 4519, or visit www.carecredit.com for more information.

Med-Care Solutions. Med-Care Solutions offers accounts receivable purchasing of lien-based accounts primarily for patients involved in vehicle accidents, working primarily with ASCs, hospitals, and diagnostic centers. For more information, visit www.medcaresolutions.us, e-mail kabdo@medcaresolutions.us or call (702) 870-4013.

Patient satisfaction and benchmarking

CTQ Solutions. CTQ Solutions is a leading provider of healthcare satisfaction and benchmarking services, helping support ASC patient satisfaction targeting quality and process improvement initiatives, improving patient loyalty and meeting all industry accreditation requirements. For more information, visit www.ctqsolutions.com or call (877) 208-7605.

Surgical Outcomes Information Exchange. SOIX offers services to benchmark performance and outcomes for accreditation, risk management and quality patient care in surgery centers. Learn more about SOIX at www.soix.com or call (877) 602-0156.

Pharmaceutical waste management

PharmASC-e Consultants. PharmASC-e is a pharmaceutical waste management consulting company that works with facilities on regulatory compliance, cost control and staff satisfaction to ensure organizations are proper stewards of the environment. Learn more at www.pharmasc-e.com.

Quality

ASC Quality Collaboration. The ASC Quality Collaboration is a cooperative group of organizations and companies interested in ensuring that ASC quality data is measured and reported in a meaningful way and has taken an active role in developing quality measures for ASCs. For more information, visit www.ascquality.org or call Donna Slosburg, executive director, at (727) 867-0072.

Real estate acquisition and real estate investment trusts

McShane Medical Properties. McShane Medical Properties is an integrated design/build construction and real estate development firm offering comprehensive services for the healthcare industry. Contact John Daly, vice president, healthcare, at (847) 692-8616 or visit the firm's Web site at www.mcshane.com for more information.

For more information or an introduction to any of the following companies, e-mail sbecker@mcguirewoods.com, call (800) 417-2035 or fax with the company circled to (866) 678-5755.

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The Sanders Trust. The Sanders Trust owns, acquires and develops ASC buildings and medical office buildings nationwide. To learn more about The Sanders Trust, visit www.sanderstrust.com, e-mail Bruce Bright at bbright@sanderstrust.com or call him at (205) 298-0809.

Recruitment and search firms

B.E. Smith. B. E. Smith is a leading healthcare executive search and consulting firm, supporting ASCs across the nation. To learn more, call (877) 802-4593 or visit www.besmith.com.

Kaye/Bassman International. Greg Zoch, a partner and managing director with Kaye/Bassman International, a 26-year-old executive search firm, specializes heavily in the ASC world and has served many of the industry's largest players by finding top talent at the facility and corporate level. You can e-mail Mr. Zoch at gregz@kbic.com or call him at (972) 931-5242 ext. 5290.

Manning Search Group. Roger Manning, Cathy Montgomery and their healthcare search consultant team offer middle management and executive search and recruitment with ASC-industry-specific focus. E-mail Roger Manning at roger@manningsearchgroup.com or Cathy Montgomery at cathy@manningsearchgroup.com, call them at (636) 447-4900 or visit Manning Search Group online at www.manningsearchgroup.com.

The Spring Group. Primarily focused on the ambulatory surgery industry, Joe Feldman, who brings over 35 years of healthcare experience to the recruiting industry, and his team work with corporate, hospital-based and privately owned ASCs throughout the United States. Mr. Feldman is the owner of AmbulatorySurgeryCenterCareers.com, a Web-based career board dedicated to the ASC industry, designed primarily for employers, recruiters and candidates to seek each other out at a single location. For more information, visit www.ambulatorysurgerycentercareers.com. You can reach Joe Feldman at (610) 358-5675 or e-mail him at joe@thespringgrp.com.

Surgical supply and equipment manufacturers

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Alcon. Alcon engages in the development, manufacture, and marketing of pharmaceuticals, surgical equipment and devices, and consumer eye care products to treat eye diseases and disorders. Learn more at www.alcon.com or call (800) 862-5266.

AliMed. AliMed is a designer, manufacturer and distributor of healthcare products that works with hundreds of vendors to supply more than 70,000 products to healthcare facilities and businesses all over the world. To learn more, visit www.alimed.com or call (800) 225-2610.

Allen Medical Systems. The newest innovation from Allen Medical Systems, a Hill-Rom Company, is the Allen Spine System, which manages patient skin pressure during four-post spine surgery, supports various body types, and enables the surgeon to flex the patient's spine using the power of the ORtable. Learn more about Allen Medical Systems at www.allenmedical.com or call (800) 433-5774.

Alpine Surgical Equipment. Alpine Surgical provides its clients with a wide array of both new and refurbished medical equipment for the entire ASC by working closely with many of the leading medical equipment manufacturers and specialty refurbishing companies nationwide. For more information, contact Matt Sweitzer at (916) 933-2863 or visit Alpine Surgical on the Web at www.alpinesurgical.com.

ARC Medical. ARC Medical, founded in 1990 by Hal Norris, provides ASCs and anesthesia, ICU, long term acute care and emergency areas of hospitals with products such as its ThermoFlo System, a hygroscopic condensing humidifier. Learn more at www.arcmedical.com or call (800) 950-2721.

Aspen Medical Products. Aspen Medical Products is a leader in the design, development and marketing of upper and lower spinal immobilization products. Learn more at www.aspenmp.com or call (800) 295-2776.

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CONMED Corp. CONMED specializes in arthroscopy, electrosurgery, endoscopy, endosurgery, imaging, integrated systems, patient care and powered instruments that are sold worldwide through its family of companies (CONMED & Linvatec). Learn more about CONMED at www.conmed.com.

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Integra LifeSciences. Through the Jarit, Miltex and Luxtec companies, Integra LifeSciences offers German-crafted quality and cost-effective surgical instruments, sterilization containers and instrument repair and refurbishment services to meet the needs of every surgery center. You can learn more about Integra LifeSciences by visiting www.integra-ls.com, e-mailing David W. Swanson, vice president of ASCs, at david.swanson@integra-ls.com or calling (800) 654-2873.

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TransMotion Medical. TMM designs, manufactures and distributes a line of specialty medical procedure chairs including the TMM3 Video Fluoroscopy Chair, TMM4 Multi-Purpose Treatment Chair and TMM5 Surgical Stretcher Chair. Learn more about TMM at www.transmotionmedical.com or call (866) 860-8447.

Viscot Medical. Highlights of the product line from Viscot Medical, a provider of disposable medical products since 1974, include sterile and non-sterile surgical skin markers; sterile and non-sterile medication labels and kits for compliance with the Joint Commission requirement for labeling medications on and off the sterile field; male and female urinals; minor surgery drapes; and towels. For more information, visit www.viscot.com or call (800) 221-0658.

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Principle Valuation. Principle Valuation specializes in the valuation of all types of healthcare real estate including hospitals, independent-living communities, assisted living residences, skilled-nursing facilities, continuing-care retirement communities, medical office buildings, ASCs, pharmacies and rehabilitation facilities. To learn more, visit www.principlevaluation.com or call (312) 422-1010.

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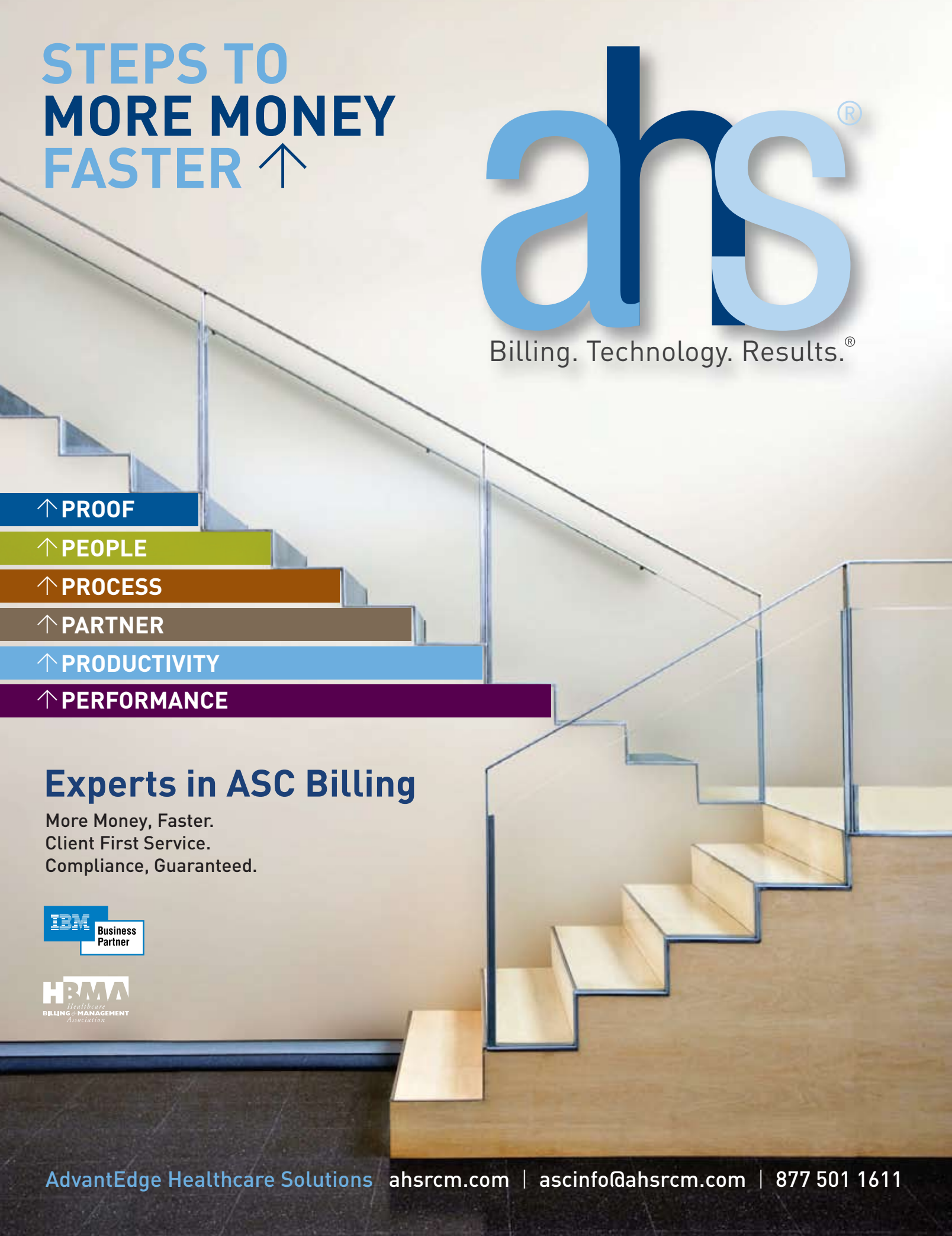
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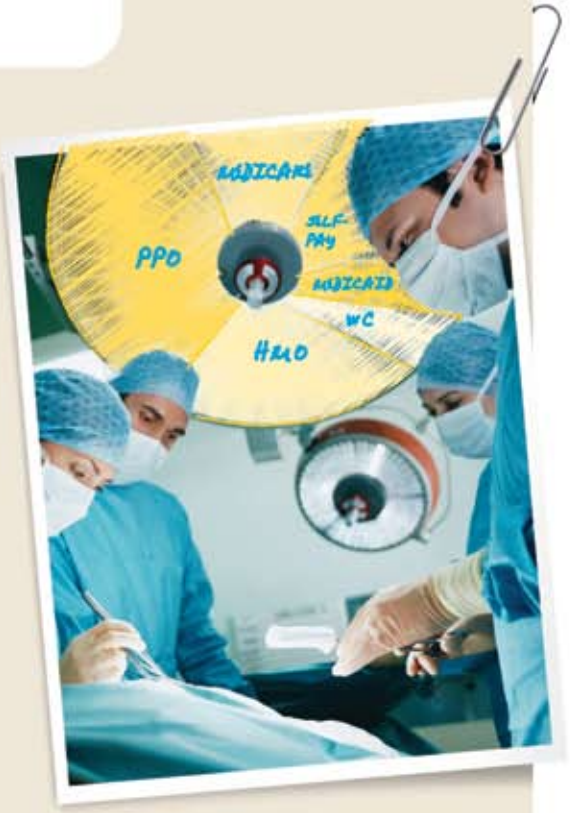

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