



Leveraging Healthcare Technology to Increase Your ASC's Efficiency & Profitability

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Vice President of Sales, Surgical Notes

Agenda

- Your Business Today
- Surgery Center/Healthcare IT – “What do I really need?”
 - What are your pain points?
 - What can you afford or support?
 - What can you get your Owners/Partners to agree to?

Agenda

- The Buying Process
 - Understanding it and making it work
- Creating an ROI or using the Vendor's
 - It's not as hard as it looks
 - How these dollars can benefit your Center (today and in the future)
- Questions and Answers (hopefully)

Your Business Today and Available IT Solutions

- So many more options versus 10 years ago
- Today, there are at least 20-30 different vendors with ASC solutions
- The “Big Unknown” is if or when CMS will mandate Surgery Centers to adopt an EMR/EHR
- Which brings up numerous other questions/issues

The ASC Market Today

- Tough and getting tougher, but still providing outstanding clinical outcomes
 - Better outcomes, fewer complications at a price point that can't be beat
- Tremendous efficiencies
 - Most Centers are finely tuned custom factories
 - Great workflow with excellent teams
- Profitable!!!!
 - Maybe not like 1999, but not bad and distributions are being made

Which Options Should I Consider?

Choose the option that frees up your staff to focus on patient care or reduces your labor expenses and saves your facility money allowing it to run more efficiently. Here are a few of the many options to consider:

- Document Management/EMR
- Central Billing Office software
- Revenue Cycle Management/Billing
- Online Pre-authorization
- Satisfaction Surveying
- Quality Reporting
- Inventory Control

Which Options Should I Consider?

Healthcare Technology companies also offer valuable services that may be more cost effective for your ASC to outsource, such as:

- Billing
- Revenue Cycle Management/Implant management
- Transcription
- Coding & Coding Audits
- IT Support (Hardware & Software)
- Marketing

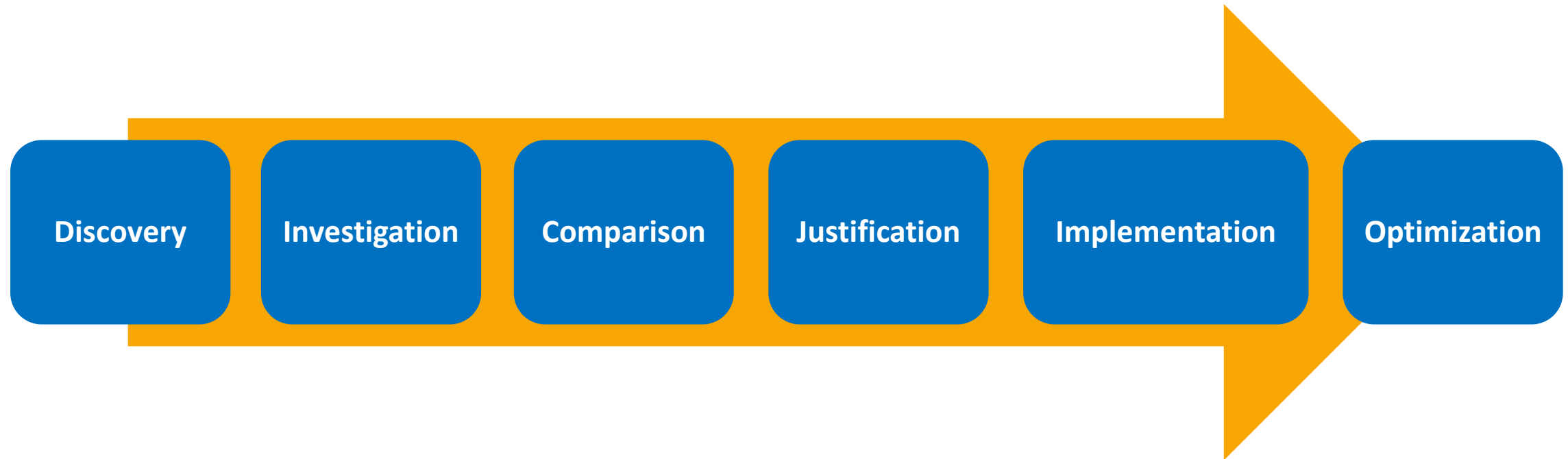
LIFE BEFORE THE COMPUTER

a memory was something that you lost with age
an application was for employment
a program was a TV show
a cursor used profanity
a keyboard was a piano
a web was a spider's home
a virus was the flu
a CD was a bank account
a hard drive was a long trip on the road
a mouse pad was where a mouse lived
and if you had a 3 $\frac{1}{2}$ inch floppy
...you just hoped nobody found out.

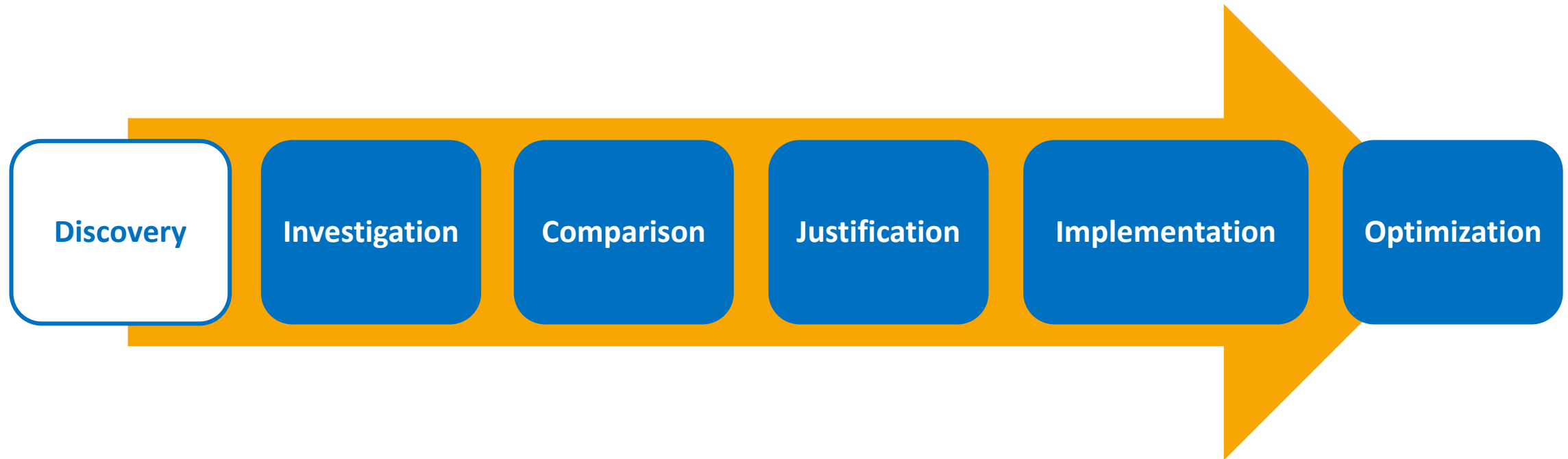
What Do I Need and What Am I Trying to Accomplish?

- Are you trying to find a game changing technology?
- Improving on a current process that works (tweaking)
 - Reducing expenses/costs?
 - Lowering cost per case?
 - Better business analytics?
 - Increased patient involvement?
 - Pricing transparency?
- Or replacing an outdated (no longer supported) technology?
- How do I go about it?

The Healthcare IT Buying Cycle



The Healthcare IT Buying Cycle



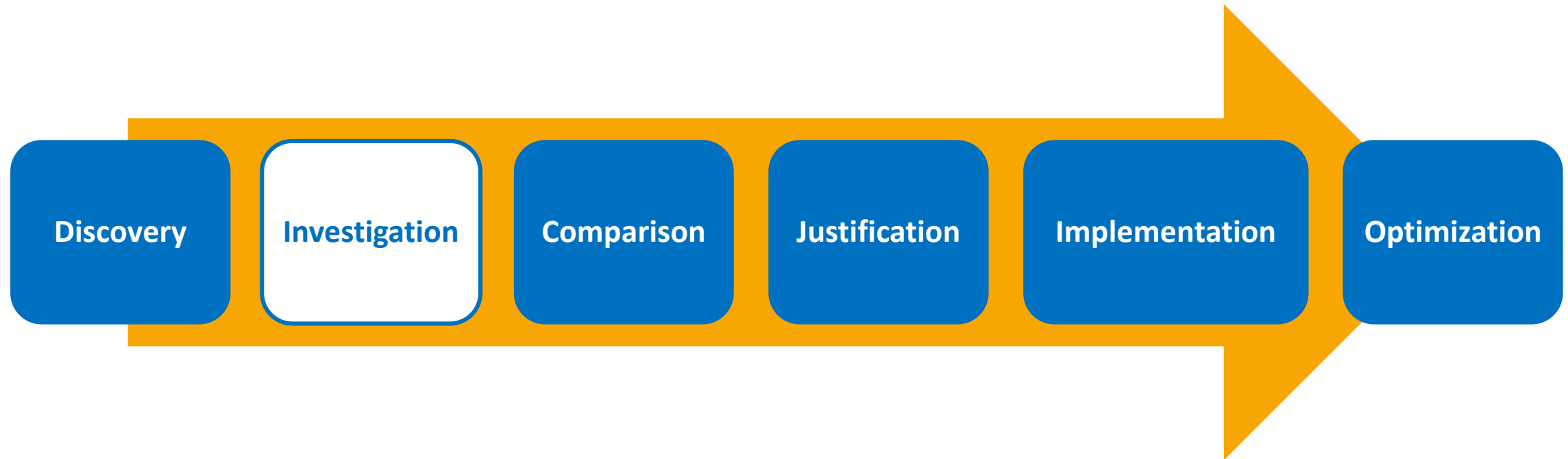
The Healthcare IT Buying Cycle

1. Discovery:

The stage when you decide to look for solutions that could potentially transform your business and/or replace an existing product that is holding back your company. You track news, attend webinars, keep up on vendor health, and discover new players and products.

- Trade shows – what's new and what do peers have?
- Do other Centers have a competitive advantage that you do not?
- Pick someone at your Center (if not you) to be the point person

The Healthcare IT Buying Cycle



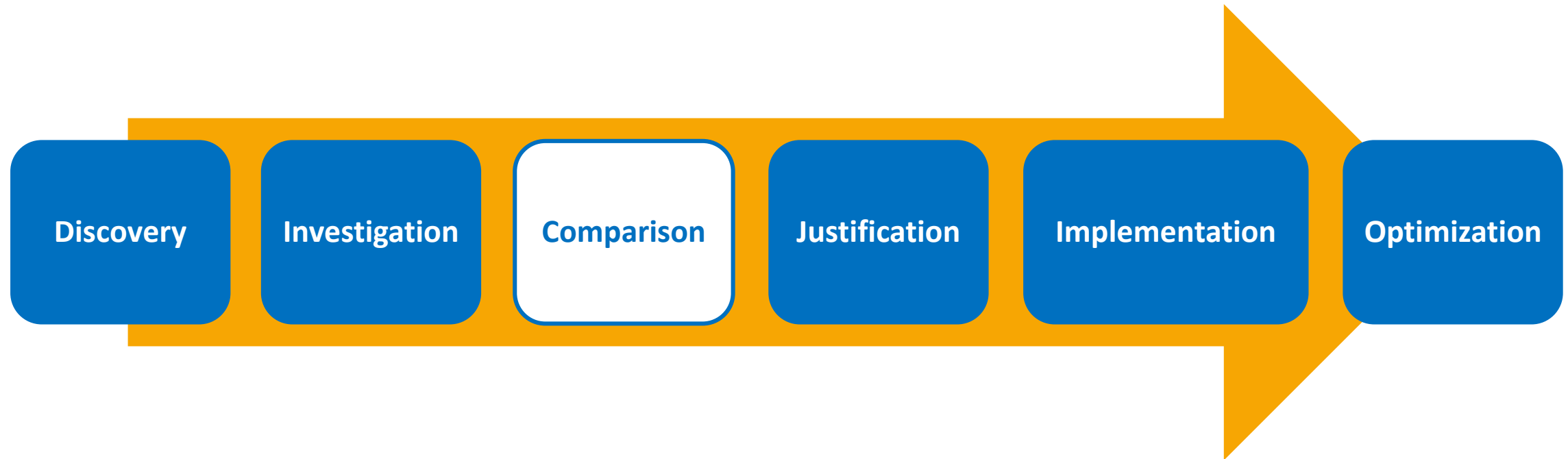
The Healthcare IT Buying Cycle

2. Investigation:

Once you've identified the issue, you find technologies that could have an impact. It's now time to take it a step further and start your homework. At this point, you're interested in acquiring a technology but still have work to do.

- What are others Centers using?
- Begin examining your expenses that you want to impact
 - Overtime
 - Forms vendor
 - Cancellation rate
 - Cost per case

The Healthcare IT Buying Cycle



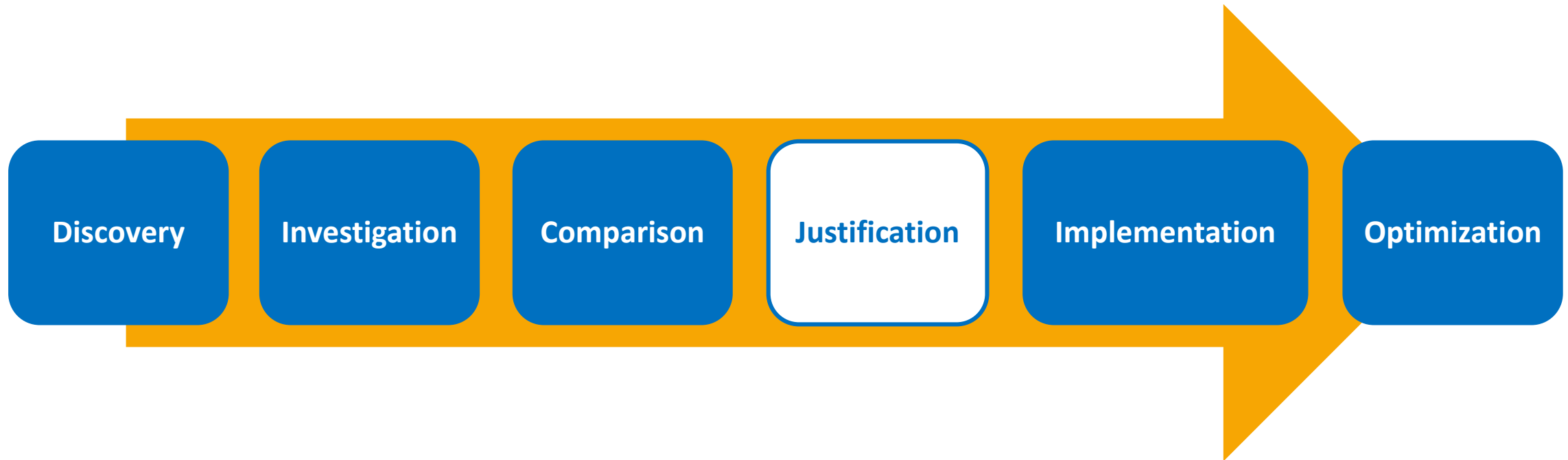
The Healthcare IT Buying Cycle

3. Comparison:

Once you decide on the technology solution you think will make the most impact, it's time to start evaluating and comparing vendors and products. This stage is all about reading product evaluations and learning what your peers have to say about working with various products and vendors.

- Reach out to the companies with potential solutions and request a demo or presentation
- Establish a timeline, and at this point let your Partners know what you are looking to accomplish
- Get buy in from your Partners before pursuing further

The Healthcare IT Buying Cycle



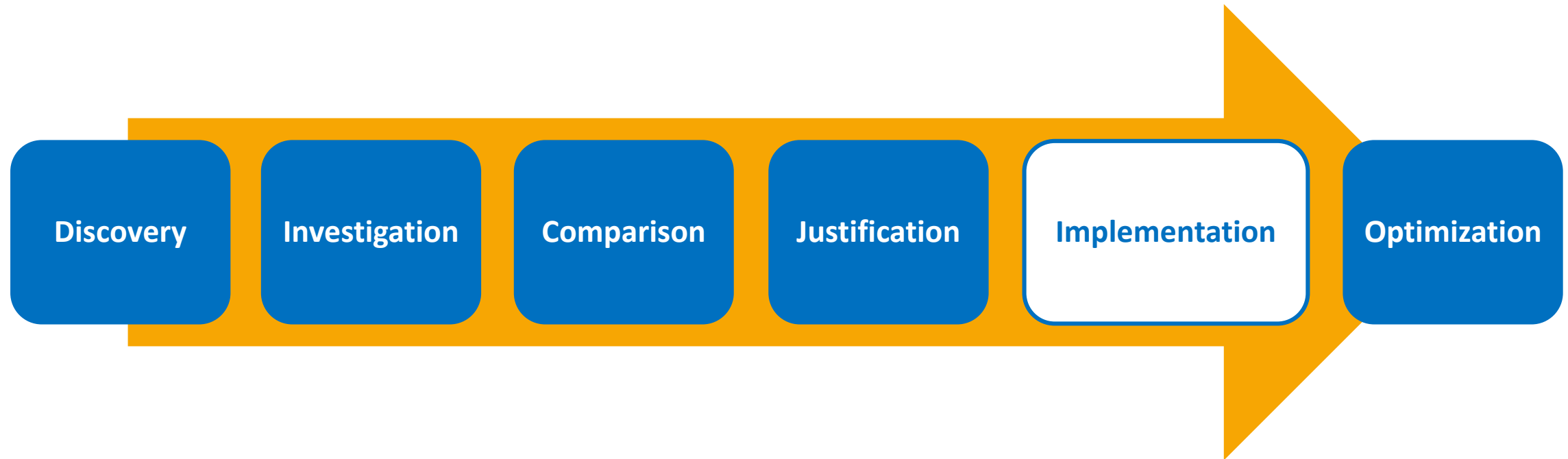
The Healthcare IT Buying Cycle

4. Justification:

All businesses (ASCs included) need real returns on technology, and the executives (like yourself) who make technology decisions need to convince the folks with the budget to make a move.

- Read case studies
- Evaluate potential ROI
- Validate as best as possible the ROI
- Speak with customers to confirm or refute the ROI

The Healthcare IT Buying Cycle



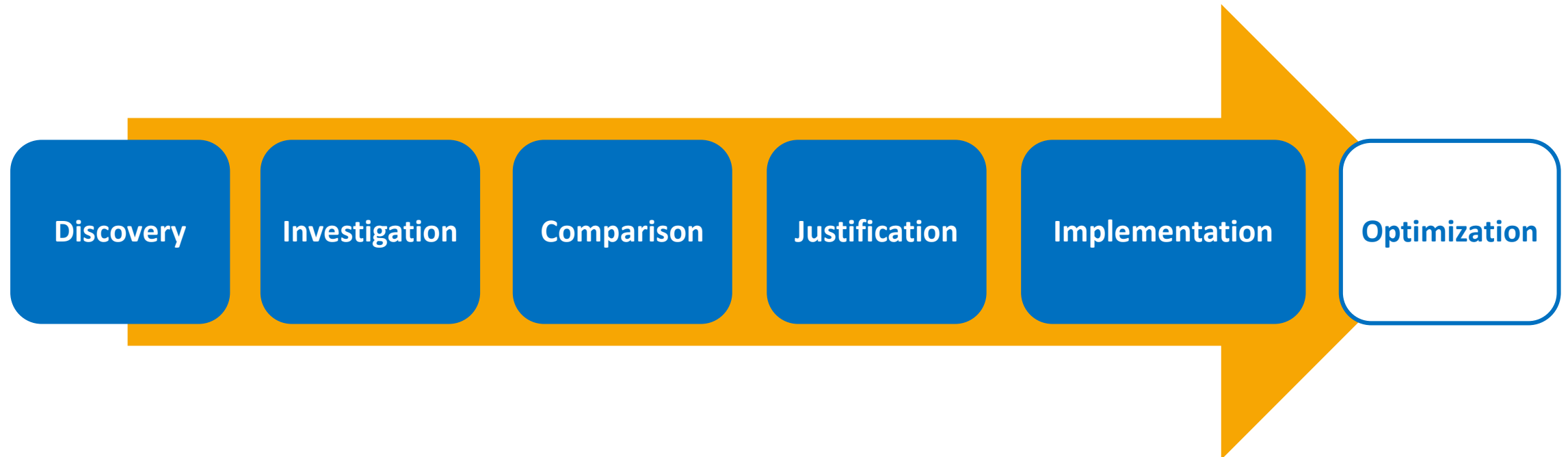
The Healthcare IT Buying Cycle

5. Implementation:

Once you've purchased a technology, the process turns to making a smart implementation with minimal impact to your day to day business and getting your staff up to speed.

- How long will it impact my daily operations?
- Is my staff ready and supportive?
- Who is my go-to person in-house?
- Am I keeping my docs up to speed?

The Healthcare IT Buying Cycle



The Healthcare IT Buying Cycle

6. Optimization:

It never ends. Updates and upgrades, new interfaces, and changes in staff require constant optimizing and effort to make the solution run like clockwork.

- Are our annual expenses going down or up?
- If the product is not working, is it worth the annual maintenance?
- Is the company supporting the product and honoring their commitments?
- Am I keeping my docs up to speed?

Sample Software ROI


	Year 1	Year 2	Year 3
Annual Software Costs	(\$30,000)		
Initial Hardware Cost	\$ (6,000.00)		
PreAssessment Visit	\$ (1,000.00)		
Implementation & Training Fee	\$ (2,000.00)		
Average Travel Costs Estimation	\$ (1,500.00)		
Total Initial Costs	\$ (40,500.00)		
Annual Savings Tied to Software			
Front Office Labor	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Nursing Labor	\$ 15,000.00	\$ 16,000.00	\$ 16,500.00
Annual Supply Reduction	\$ 12,000.00	\$ 12,500.00	\$ 13,000.00
Increased reimbursement (annual increase per case)	\$ 8,200.00	\$ 8,300.00	\$ 8,400.00
Reduction in cancelled cases (annual revenue)	\$ 4,200.00	\$ 4,400.00	\$ 4,600.00
Total Savings Tied to Software	\$ 43,400.00	\$ 45,200.00	\$ 46,500.00
Additional Savings Tied to Regulatory Requirements			
Accreditation Inspections	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Mock Survey	\$ 2,700.00	\$ 2,700.00	\$ 2,700.00
Total Savings Tied to Regulatory Requirements	\$ 7,700.00	\$ 7,700.00	\$ 7,700.00
Ongoing Expenses			
Annual Software Support Fee	\$ (4,000.00)	\$ (6,800.00)	\$ (6,800.00)
Costs	(44,500.00)	(\$6,800.00)	(\$6,800.00)
Annual Savings	\$ 51,100.00	\$ 52,900.00	\$ 54,200.00
Net Savings	6,600.00	\$ 46,100.00	\$ 47,400.00

ROI Savings – What Do They Equate to?

- What does \$46,000 mean to your Center?
 - At an average of \$350 in net profit per case equals the profit generated by **131 New Cases**
 - In a Center that averages 400 cases per month, this **represents a 2.7% increase in case volume** for that year
- Are your Physicians considering selling a portion of the Center at some point?
 - \$46,000 in added net income tied to selling a portion of the Center could have significant positive consequences for the Center
 - Conversely, if you add a technology that doesn't add profitability and efficiency it could hurt a potential sale or bring a lower valuation

**YOU CAN'T
IMPROVE WHAT
YOU DON'T
MEASURE.**

Michael Hyatt | <http://www.michaelhyatt.com>



**"Our technology is not ready
for prime time yet. Our results
do not offer an alternative
now."**

-Kevin Eggan

Image+Quote from FamousQuotesAbout.com



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The logo for Surgical Notes features a stylized caduceus symbol (a staff with two snakes and wings) in blue and white, positioned above the text 'Surgical Notes'.

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Request a copy of the sample ROI sheet:
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