**10 Tips to Make Efficient ASCs Even Better**

By Laura Miller

Jeff Bernhardt, clinical director at Main Street Specialty Surgery Center in Orange, Calif., discusses 10 ways ambulatory surgery centers can improve their efficiency and become an even stronger business as a result.

1. **Watch surgeons who tend to over- or underestimate surgical times.** Schedules are tight at surgery centers, so it becomes a problem when a surgeon grossly over- or underestimates surgical times; it disrupts the surgery schedule when cases run over and delays the following cases. Surgeons get upset and patients are frustrated.

**When ACOs Come to Town: Q&A on Strategies for ASCs With Jon Friesen of Nueterra**

By Laura Miller

Accountable care organizations are appearing in communities across the nation. Jon Friesen, chief financial officer, U.S. Operations at Nueterra, discusses how ACO formation impacts ASCs, whether it’s smart to participate and how ASCs can leverage their position in the market when an ACO comes to town.

Q: What options do ASCs have in markets where hospitals and physicians are forming accountable care organizations?

**Jon Friesen:** Accountable care organizations being set up today are largely driven by health systems; they are leaders right now in the forefront of ACO development. Some ACOs have physicians at the table and some are pilot projects with insurers, but what I think

**50 ASCs Performing 10,000+ Annual Procedures**

By Carrie Pallardy

Here are 50 ambulatory surgery centers that perform 10,000 surgical procedures or more each year.

**Abington Surgical Center (Willow Grove, Pa.).** Abington Surgical Center opened in 1989 as an independent outpatient surgery center. The multispecialty facility performs an estimated 18,000 annual procedures.

**Advanced Endoscopy Center (Bronx, N.Y.).** The Advanced Endoscopy Center opened in 2007 as a joint venture between a group of physicians, Physicians Endoscopy and a local hospital in the Bronx. This single-specialty GI center performed more than 10,000 procedures last year.

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Publisher’s Letter
Dashboard Observations on 17 Niches and Specialties; 7 Reasons to Worry About the Healthcare Economy; Is a Large Combined System Better?

1. Prospects for markets within the healthcare industry. The dashboard below highlights where we see expansion or slow down in different niches with healthcare. Of course, the success of a specific company or provider within an industry depends a great deal on its individual strengths, and the proficiency of its management team and its available resources.

Hospitals and health systems
Slow erosion to stable. Political power in part offsets substantial reimbursement risk; reduced inpatient cases; increased risk on patient receivables and increased deductibles; serious pricing pressure if movement of patients to exchanges; continued consolidation across industry. Certain hospitals and health systems that have the best quality, that develop leadership in taking on risk, that have market dominance, or that treat a specialized niche and are very lean in their operations will thrive.

Ambulatory surgery centers
Slow erosion. Reduced number of available physicians, core specialties remaining fairly independent, pressure on case numbers; reimbursement risk; some access to payor issues. Despite the slow erosion in the overall ASC industry, ASC business remains in the greater context a very good industry and business. It remains remarkable how different the revenue equation can be for ASCs from geographic market to market.

Dialysis facilities
Stable to growth. Continued increasing patient demand offsets some reimbursement risk; continued consolidation; reduced number of physician owned facilities.

Physician practices
Slow to moderate erosion. Reimbursement risk depending upon specialty (see below); pressure on referral base and payor access.

Medical device
Slow erosion to stable. Political power in part offsets some pricing pressure (e.g., industry relationship with Sen. Orrin Hatch); better international opportunities; patient demand continues to increase; substantial mid- and long-term pressure on domestic pricing.

Health information technology
Stable to slow growth. Customer budget constraints (increased risk to customer available capital) offset by need to expand and improve systems in hospital and health systems.

Urgent care
Growth. Strong alignment with consumers and payors; slim margins.

Dental practice management
Stable to growth. Growth dependent on payor mix, with pressure on Medicaid-dependent companies; increased state regulatory pressure.

Home health
Stable. Little political power; fragmented industry undergoing consolidation; some reimbursement risk.

Hospice
Stable. Some political power; reimbursement risk; utilization risk constraints; consistent consumer demand.

Nursing homes
Slow erosion to stable. Reimbursement risks for Medicaid-dependent providers and timing of payment from states impacts cash flow.

Behavioral health
Growth. High patient demand for services; alignment with payors and consumers.
Anesthesia practice management  
**Stable to growth.** Alignment with payors and hospital sector.

Pain management  
**Stable.** Influx of physicians; increased reimbursement and utilization controls.

Orthopedics  
**Slow erosion to stable.** Reimbursement risk; Mature orthopedic practices seem to be very resilient in terms of their referral base and remain critical to the overall delivery of healthcare (i.e., as to the percentage of total dollars spent in orthopedics and the reliance on all facilities on orthopedics).

Spine care  
**Slow erosion to stable.** Reimbursement risk; increased payor controls on surgery.

Gastroenterology  
**Stable.** While some pressure on pricing at all levels, gastroenterologists in many areas remain in very high demand and remain very busy.

2. Hospital and health system mergers.  
This remains a fascinating time in healthcare. We are continuing to see small to midsize facilities enter into affiliations and sales transactions. In contrast, we are also seeing some large systems (e.g., systems with $3 billion dollars or more in revenue) looking at merging with each other. Here, many questions arise with respect to whether the merger really makes sense from a cost savings or strategy perspective. Specifically, will the combined system achieve a truly dominant position where payors and employers must have the system in their health plans, or will the merger leave the system so burdened with costs and employees that it will ultimately need to engage in layoffs or other efforts to drastically cut costs? Will it allow for more strategic management or simply lead to a large system without clear priorities? Will the merger allow the health system to better serve managed care payors, deliver quality care and manage costs? Will the depth in revenues allow for better investments in management, outpatient services, information systems and other capital projects?

For more discussion on this issue of whether hospital and health system mergers perform, please see “Is Bigger Always Better? Exploring the Risks of Health System Mega-Mergers” (Becker’s Hospital Review, March 18, 2013) and “Point-Counterpoint: Is the Rush to Hospital Consolidation Rash?” (Becker’s Hospital Review, March 26, 2013).

3. Healthcare spending.  
Here are seven observations on the current climate surrounding healthcare providers.

• **Government debt and the need to reduce spending.** No matter how you slice it — and the sequester seems to be the most simple and obvious example of it — there is an increased recognition that the federal government must rein in its spending. Even those on the tax and spend side seem to view it as such. Through Medicare and Medicaid, the government is responsible for around 30 to 50 percent of the payments healthcare providers receive, and as a result, even small reductions in federal spending could amount to a lot of money coming out of healthcare.

• **Increased taxes.** Increased taxes on high-earning individuals will only further compound the impact of sequestration by taking more money out of the economy that would be otherwise spent on goods and services, including healthcare. These increased taxes being paid by the largest tax payor bloes will take serious dollars out of the economy that won’t cleanly recycle back in and may just go to service government debt. Where a larger and larger portion of the healthcare bill is paid by consumers, whether via deductibles or other means, this has a significant impact on the economy.

• **Tepid economic growth.** Even before accounting for the sequester and increased taxes on income and the payroll, the economic growth rate was at 1 to 2 percent. When you then take another 3 to 5 percent out of the economy through taxes and costs reductions, it is hard to see where the country will have any economic growth. In March, the unemployment rate was steady at 7.6 percent. Real job creation was below zero when job growth (an 88,000 increase in non-farm payroll employment) is balanced with those exiting the workforce. Overall, the civilian labor force declined by 496,000 during the month.

• **Shifts to health exchanges.** As insurance companies raise rates to meet the requirements of healthcare reform, it is increasingly projected that more of the population will move to healthcare exchanges. This shift to exchange-based health plans is concerning for healthcare providers, because the payment rates for these plans are uncertain. Small movements of well-paying employment will have a cascading effect on insurance patients to lower paying exchanges bodes very poorly for providers.

• **Tightened spending on healthcare.** Economic problems will provide more pressure on employers and employees to cut costs, including what is paid for healthcare. Employers selecting health plans — either offered through their employer or exchanges — may lean toward lower-premium or high deductible health plans with less comprehensive coverage. These plans shift more healthcare cost responsibility on patients, which can create collections difficulties for providers. Similarly, employers looking to cut costs will reevaluate healthcare spend may elect to cost-shift to employees.

• **Provider profitability under pressure.** Health systems are starting to report much lower profits in 2012 than in 2011, and the decrease in reimbursement and inpatient cases coupled with the percentage of healthcare costs patients are responsible for out-of-pocket will exacerbate these changes. The loss in some types of cases by systems leads to increased competition for other types of case by these systems and more pressure on the providers who survive based on such cases and patients.

• **Mergers and acquisitions.** Earlier this year, the New York Times reported that the first quarter of 2013 saw the lowest M&A deal volume since Q1 2010 (“Mergers Slowed to a Snail’s Pace in the First Quarter, the Fewest Since 2003,” April 2, 2013). We are still seeing a steady flow of deals in the healthcare sector.

4. Specialty physician practices.  
We are still seeing many specialty physician practices looking to remain independent. The decision to stay independent is largely driven by concern regarding future income. This concern largely stems from a lack of control over referral patterns and decreasing professional and ancillary reimbursement. Small changes in income lead to an explosion in physician/hospital transactions. For example, we saw a massive migration from private practice to hospital employment when the average cardiologist’s reimbursement fell by about 15 percent. With most other specialties, once reimbursement falls by more than 10 percent, the interest of joining a hospital or health system tends to become significantly more acute. Until that point, practices seem more eager to remain autonomous, particularly if it’s a group that has enjoyed long-term independence. We are also seeing more independent practices evaluate strategies for affiliating with other practices, either through ownership or collaborations designed to achieve increased bargaining power with payors.

5. Playing to Win.  
I just completed reading a fascinating book, “Playing to Win: How Strategy Really Works” authored by A.G. Lafley, the former long-term CEO of Proctor and Gamble. He is mostly a disciple of the Michael E. Porter School of strategy. Lafley outlines a process for strategy assessment based on five concepts.

• What are the winning aspirations/goals?

• What field or market will you play in?

• What is the best approach to win?

• What capabilities must be in place to win?

• What management systems are required to support the effort?

In exploring various businesses and opportunities with clients, I found the tools and concepts very useful and enjoyed it immensely.

Please also save the date for the 20th Annual Ambulatory Surgery Centers Conference – Improving Profitability and Business and Legal Issues, October 24-27 in Chicago, and the Becker’s Hospital Review CEO Strategy Roundtable Nov. 14 in Chicago. Should you have questions, or if we can be of assistance in any way, please contact me at sbecker@beckershealthcare.com.

Very truly yours,

Scott Becker, Publisher
10 Tips to Make Efficient ASCs Even Better (continued from page 1)

“I conducted a QA study when we were encountering surgeons who were estimating inaccurate times,” says Mr. Bernhardt. “We had a group of surgeons that were underestimating them, and with our limited schedule, following those surgeons was creating inefficiencies. We monitor them closely and direct our schedulers to add time to those surgeons’ cases.”

Mr. Bernhardt might add 30 minutes to a surgeon who is consistently slower than estimated times so the schedule is more appropriate. “There can be no gaps in between cases,” he says. “We look at our schedules daily and weekly and I have the power to readjust them and move the surgeries around so they flow smoothly and have no gaps.”

2. Allow for early starts. Instead of adding cases at the end of the day, Mr. Bernhardt allows surgeons to add additional cases in at the beginning of the day to keep clinical times moving smoothly. This allows staff members to anticipate when they will be leaving the center each day. Also everyone must agree to the meaning of ‘Start Time.’ Their start time is when the patient enters the OR.

“We have three early start rooms, which will normally start at 7:30 am,” says Mr. Bernhardt. “Surgeons can add cases before their clinical hours; I oftentimes add a microdiscectomy or a quick arthroscopy in the morning. We can do two cases at 6:30 am and one case at 7 am starting time. The flexibility is in the schedule and not having any gaps during the day, you can allow early cases in the morning to drive additional patient volume.”

3. Optimize OR selection. Coordinate ORs so similar cases follow each other. The goal is to minimize the movement of equipment. For example, Main Street Specialty Surgery Center can do all shoulder surgeries in one room and all knee surgeries in another. You can coordinate even further by doing all left side surgeries first before switching to the right side. Another way is to do all the knees in a row and then do the shoulders.

“You have to schedule similarities in the operating rooms so things flow smoothly,” says Mr. Bernhardt. “We are a multispecialty ASC, so for example we put all the general surgeries in one room and line up hand surgeries in another. You can coordinate even further by doing all left side surgeries first before switching to the right side. Another way is to do all the knees in a row and then do the shoulders.

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4. Maintain a consistent staff. Build a quality team at the surgery center and maintain the same staff members for as long as possible. Surgeons appreciate working with the same team from year to year, and knowledgeable employees are more efficient and effective than new hires.

“We put the same people with the same surgeons 80 percent of the time, and we cross train staff members to back up our team,” says Mr. Bernhardt. “They easily shave 10 minutes from each case just because we have a consistent staff.”

The staffing must also be adequate, which can come at a great expense to the ASC. However, moving patients through efficiently can improve ASC revenue and enhance the bottom line in the long run.

5. Assign float staff for room turnover. In an attempt to run a lean business, many surgery centers charge their regular staff with room turnover. However, with a limited team, turnover times are slower. Instead, ASCs can designate “float” staff to move from room to room and help with turnovers as necessary.

“We try to have extra staff members in the hallways so people who were working on the cases in those rooms don’t have to come back and turn over their rooms,” says Mr. Bernhardt. “The minute the circulating nurse transports the patient, our float staff comes in and cleans the room, and then opens it up for the next case. Our average room turnover is three to six minutes. ASCs try to cut costs and expect the room staff to clean their own rooms, but their turnover times are abysmal.”

Quick turnover times are crucial, because they are one of the big advantages many surgeons see for surgery centers over hospitals. Mr. Bernhardt also has surgical techs and support techs available to help with room turnovers because they ensure the equipment is ready for the next case.

“Our surgeons want to flip from one room to another if we have extra rooms — they’ll do a shoulder and then flip to the knee,” says Mr. Bernhardt. “If we aren’t running all five operating rooms, we flip rooms. That requires a commitment from the staff to help them do that. It costs a little more to hire these employees, but their help pays for itself.”

6. Standardize equipment trays and sterilization. Poorly-managed supplies and equipment lead to increased sterilization time cycles and slow turnaround times. When supplies and equipment are standardized ASCs can move through cases more efficiently. Many surgery centers have just enough trays available to complete a few cases before the sterilization process begins. This slows down the turnovers and may end up costing the ASC more in the long run due to decreased efficiency.
“ASCs sometimes for budgetary reasons don’t have enough trays, so they are forced to sterilize those trays for turnovers. This can create problems with turnover times and infection control,” says Mr. Bernhardt. “You might have to have enough trays to get well into the third case before beginning the sterilization process. We rarely have to delay a case because of sterilization issues.”

Mr. Bernhardt also uses standardized custom packs and automated fluid removal. “You can’t have pails or bottles of contaminated fluid carried down the hallway; you have to have automated draining systems,” he says. “This is especially important if you have orthopedics cases in your ASC.”

7. Use technology to decrease paperwork and tailor paperwork to different specialties. Part of the standardization at Main Street Specialty Surgery Center is patient forms; many providers are frustrated with the time and effort it takes for charting. Mr. Bernhardt tries to minimize the writing by tailoring their forms to specialty and utilize charting by exception. He also uses online ordering to reduce paperwork and streamline materials management.

“Our preop forms are engineered to help reduce interview times. Our GI and pain procedures have forms that are tailored for them specifically,” he says. “We want to tailor the form to fit the process and not have a generic form that asks questions that may not be relevant. Every ASC should review their forms annually to simplify and reduce redundancies.”

The center also tries to limit staff paperwork so they can meet regulatory requirements without adding extra paperwork. Each OR includes a laminated poster of the Surgical Safety Checklist. When the surgical staff completes the safety checklist it is checked off on the nursing intraoperative form. This process eliminates adding another form to the chart.

Mr. Bernhardt also uses Supply Management Online and McKesson’s Data Transfer to manage costs, optimize inventory, help his materials management save time and to be as efficient as possible.

8. Promote teamwork and leadership. Team leaders report to the Director of Nursing. They carry out the plan as directed by the DON. Team leaders at the surgery center are in charge of making sure everyone knows the plan for the day. They make the assignments and oversee the schedule. Team leaders gather their team every night to make sure surgical equipment and trays are ready for the next day.

Mr. Bernhardt also uses Supply Management Online and McKesson’s Data Transfer to manage costs, optimize inventory, help his materials management save time and to be as efficient as possible.

9. Communicate constantly with staff members. Team leaders should have constant communication with their staff members during the day so everything runs smoothly. If a patient arrives late, everyone on the team communicates to know the case should be fast tracked and people can rotate over to get the patient in as quickly as possible.

“We use the SBAR communication process as part of our culture here,” says Mr. Bernhardt. “We want to communicate about potential issues before they happen, not while they are happening. We need to anticipate problems and avoid them instead of just responding after they occur. I try to empower my employees, so they can think independently and creatively. My door is open to any employee who wants to talk and have some ‘Boss Time.’”

10. Address problems immediately. The efficiency of an organization is directly related to the morale of the employees. Employees will be motivated and loyal when they are treated with respect, challenged by their work, and have access to management. Main Street Specialty Surgery Center has an open door policy to immediately address staff issues that haven’t been resolved through the normal chain of command. When someone isn’t behaving appropriately, or has an issue that they want addressed, it’s important to work with this employee instead of letting the problem fester.

“When someone has a problem, I try to talk to that person immediately. One of the worst things to do is let someone ruminate with their issue. Anger and resentment almost always increase,” says Mr. Bernhardt. “You have to be interactive and preemptive when someone comes into the office with a problem; they might not want to address the issue directly because they know something negative may happen, but a manager must be a coach and a counselor in order to resolve their issues.”

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10 ASC Leaders on Making Their Centers Stand Out

By Carrie Pallardy

Ten ASC leaders explain how they make their surgery center stand out.

Keith Smith, MD, Surgery Center of Oklahoma (Oklahoma City). We have put our prices online for all to see. This has endeared us to many in the business community as we are seen almost as partners working for solutions to the high prices of healthcare, rather than part of the problem. Our staff, each and every one, takes ownership in the success of the facility, working in a culture and environment they love. Patients are extremely aware of how content our employees are and this translates into great patient care.

Bruce Kupper, MEDARVA Healthcare, Stony Point Surgery Center (Richmond, Va.). We stand out because the surgeons, their needs and their patients are our main focus. In fact, when it comes to measuring patient care, we are measuring a 98 percent patient satisfaction level. Because of this, our physicians have a high level of confidence that we will treat their patients well and they will get the quality care that is expected. Consistent care and quality builds a surgeon’s confidence in the overall experience that he and his patients will have. The final thing that differentiates us is our infection control rate, which is .0045 and it’s something that’s important to physicians that are considering surgeries here.

Evalyn Cole, Spine Surgery Center of Eugene (Ore.). We have had only two infections in six years of operations and zero infections in spine fusion surgeries. Hospital infection rates are 2 to 3 percent. In addition, our charges average 30 to 40 percent below local hospital charges for the same surgeries.

Kathy Kelly, RN, MSN, CNOR, Viewmont Surgery Center (Hickory, N.C.). Viewmont Surgery Center does its best to communicate that it is a high-quality, low-cost option for patients. CMS has established that services offered by the center cost about 40 percent less than those done at local hospitals. The center, which is a multispecialty ASC, averages 300 to 400 cases a month done by 39 credentialed physicians. The center has a quality improvement committee that focuses on creating benchmarks based on patient satisfaction. Patient satisfaction surveys take into account everything from wait time to the courtesy of the staff. Viewmont Surgery Center is currently above the national average for the percentage of patients willing to recommend the facility.

Joseph DeMarco, Jefferson Surgical Center at the Navy Yard (Philadelphia). As the need for higher acuity cases continues to shift to the outpatient arena, we are challenged with providing same-day surgery to the right candidates and managing their pain in the outpatient setting. We do this with pain pumps and a coordinated effort between anesthesia and our surgeons. Our approach to cut costs is to educate physicians on expensive disposables against more reasonably priced alternatives, but to ultimately allow them to make the clinical decision as to which is best. Jefferson Surgical Center is also able to turn to its management company Nueterra for guidance in regulatory concerns, HR, risk management and any areas that contribute to a smoothly run ASC.

Tracey Harbour, RN, BSN, Surgery Center of Pinehurst (N.C.). Our facility stands out because of the team of people we have working in the facility. We work hard to make people feel like a family member while at our facility. Our goal is to have excellent patient experiences with outstanding clinical outcomes. Many members of our team have worked together for years; our familiarity with each other keeps the center running smoothly. Another element which sets our ASC apart is that we are the only multispecialty center in the community. We continue to explore adding additional procedures to our ASC. Recently we added total joints and spine, and soon we will be adding total thyroid. As the needs of our community evolve, we want to ensure we are providing relevant procedures with excellent clinical outcomes.

Lucinda Hay, Center for Specialty Care (New York). On-time starts, efficient room turnover and ease of scheduling allow the center’s physicians to benefit from enhanced efficiency resulting in the ability to treat more patients. The Center works hard to accommodate surgeon and patient schedules and even if a surgeon has only one case, we will fit that case in. The center’s billing department, registrar and clinical staff ensure that the appropriate insurance certifications are in place, the patient admission paperwork has been completed and the patient is prepped and ready to go for an on-time start. We have a terrific group of anesthesiologists, Northeast Anesthesia, who are full time at the Center and an experienced staff that is involved at every level of operation.

Jeff Wigton, Central Maine Orthopaedics (Auburn). We distinguish ourselves in our market by having lower costs paired with a higher level of service. Our patients are in and out of surgery on time. We have done a lot of work on our Quality Assurance program in the last three years. Our surgery center has defined our benchmarks and place reaching them as a top priority. We opened in 2002 and are starting to mature as a center. We have had only two nurse managers since opening. Our current nurse manager has been with us for six years and plays an integral role in maintaining stability in day-to-day operations. We are able to build on things that work, such as our QA program, rather than reinventing basic center functions.

Leslie Cottrell, Baptist Physicians Surgery Center (Lexington, Ky.). We are aligned with a large, tertiary acute care hospital which has a great community and regional brand. Our ASC is represented by outstanding employees who go above and beyond to ensure a positive experience. The clinical care, providers level of experience and expertise support diverse patient acuity, procedures and specialties brought to our ASC. Maintaining over a 99 percent patient satisfaction rate for many years reflects our commitment to our mission and philosophy.

Mary Ellen Rider, Maryville (Tenn.) Surgery Center. Our surgery center excels in patient satisfaction. We create an atmosphere that makes patients feel at home and cared for on a one-on-one basis. Patient satisfaction surveys always return to us with rates in the high 90s to 100 percent of our patients report that they would return to our facility or recommend us to someone else. We have flexible staffing and encourage our staff members to contribute to a collaborative environment. Our center is always seeking ways to be cost conscious; we always take into consideration our supply value analysis. Business, nursing and physician staff are all encouraged to participate in cost saving measures. We began storing our records electronically in 2007 and now scan all returning patients into the system.
Flexible surgery centers can adapt to meet the changing needs of patients, surgeons and staff members. They can also become more efficient to maximize profits and minimize overhead costs.

Donna Coleman is the human resources payroll services manager for MedHQ, a professional employer organization and business office outsourcing service for healthcare, ASCs, surgical hospitals, imaging centers and other physician-affiliated businesses.

Ms. Coleman discusses how to develop flexible schedules for employees and the benefits of doing so.

**How to become more flexible**

1. **Focus on per diem workers.** The greatest amount of staffing flexibility for ASCs comes from per diem workers, Ms. Coleman says. While your nursing and business directors will be full time, other staff members are usually not needed for as many hours per week. These per diem workers can be on call throughout the week to come in as necessary, ensuring your ASC is never left shorthanded.

   Per diem workers can also be scheduled for different hours each week, depending on the cases brought into the center and the number of personnel needed to keep the center properly staffed.

   “The flexibility could be in how many hours per day they work or it could be the start and stop time of those hours,” Ms. Coleman says.

2. **Keep your center open only for cases.** Having flexible employees also creates a cost-conscious environment for ASCs to shut down when all the cases are done for a day or to schedule cases only on certain days of the week and remain closed the rest, Ms. Coleman says.

   Having the surgery center only open when procedures are being performed can save a significant amount of money on staffing costs and overhead costs, including utilities.

3. **Offer paid and unpaid time off options.** Flexible schedules for staff members should include both paid and unpaid options, as well as time off for reasons other than vacation or sick days. Giving per diem employees even limited paid time off options builds employee...
loyalty and can make up for the days when staff members are sent home early without pay for scheduling compression.

Flexible companies also allow employees to alter their schedules in advance for appointments, family obligations and other personal reasons without penalty, Ms. Coleman says.

**Why allow for staff flexibility?**

4. Increases morale. Creating an environment of scheduling flexibility will produce happier employees, who in turn become more productive, Ms. Coleman says. High employee morale also seeps into the overall atmosphere of the surgery center, including how the patients and surgeons view the ASC.

Varied schedules also keep employees from getting stuck in the routine of their positions, and thus less likely to make on-the-job mistakes.

5. Reduces absenteeism and turnover. When a surgery center can accommodate the scheduling needs and wants of employees, the center is more likely to have employees that show up for shifts on time and retain their positions longer. Less absenteeism and tardiness will help the operating room schedule stay on time, which also makes patients and surgeons happy.

6. Allows employees to have other jobs. Most per diem workers have employment at other locations, such as hospitals or clinics, Ms. Coleman says. They seek surgery center employment for additional income. Working around any current job schedules enables your center to hire a capable employee who may have been unable to accept the position with a rigid weekly schedule.

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**5 Steps to Turn Your ASC Into a Destination Setting**

*By Jessica Nantz, President and Founder, Outpatient Healthcare Strategies*

As patient-consumers have assumed more responsibility for the cost of healthcare, they are taking greater interest in where to receive surgical care. Employers have assumed more of the financial burden of the care their employees receive as well, and have also taken a greater interest in where their employees receive care.

According to a July 2011 report from the Office of the Actuary in the Centers for Medicare and Medicaid, patient out-of-pocket spending and private health insurance are both projected to grow in 2013. Out-of-pocket spending is projected to grow 3.9 percent in 2013, up from 1.8 percent in 2010. As household incomes grow this is expected to lead to more healthcare spending and employers are anticipated to increase cost-sharing requirements in employer-sponsored insurance plans. Private health insurance spending is projected to grow 4.8 percent in 2013, up from 2.6 percent in 2010. Employer-sponsored insurance enrollment is expected to increase with gains in employment.

While both patient-consumers and employers are looking to keep the costs of care down, they are also seeking providers with a reputation and track record for quality care and positive outcomes to help reduce the need for future care and additional costs.

But the search for providers that can deliver low-cost, high-quality care is no longer limited to a setting located within a reasonable drive. Patient-consumers and employers are surgery shopping outside of their state and region to identify the best providers available and at the best prices — prices that do not necessarily just look at the cost of procedures but may factor in expenses associated with travel to and from a setting. Payors, looking to keep costs down, are also investing in resources to help their members find quality, affordable care.

With these new developments, ASCs are no longer in competition for patient-consumers with just local hospitals and other area ASCs. They are now in competition with surgical providers throughout the country. Due to this increased competition and tightening reimbursement, surgery centers must turn themselves into destination settings — built around a focus on quality, transparent costs and, perhaps most importantly, superior customer service — if they wish to keep their case volume from local patients high and bring in patients from outside of their market.

Here are five steps ASCs should take to turn their facility into a destination setting for surgical care.

1. **Provide price transparency.** Even just a few years ago, cost wasn’t a significant determining factor — if it was a factor at all — of where a patient underwent a procedure. For many patient-consumers, price is now a significant factor. You may provide outstanding care, but your facility may be looked over as an option for patient-consumers if they cannot determine what that care will cost.

As such, it is imperative to find ways to provide transparency into the prices you charge for procedures, explain why you charge the amount you charge and identify what the charges cover and what they do not. By sharing this information, you are not only providing an important detail that is likely on a patient-consumer’s evaluation checklist, but you are developing a level of trust with the patient-consumer built around honesty as well as open and accurate communication that does not hide or disguise information.

It is also important to make this information easy to find or patient-consumers may believe you do not provide pricing transparency. For example, if you visit the website of Surgery Center of Oklahoma, the second item on its website’s menu concerns pricing. This ASC has received significant, and often very positive, media attention for posting its prices for patients coming to the surgery center for care not covered by insurance.

2. **Keep costs low.** If a patient-consumer identifies two facilities believed to provide an equal level of quality care, the lower cost option is likely to win out. While it may go against your ASC’s model for financial success, continue to explore different ways to lower the cost of the care you provide but now pass some — or more — of these savings along to patients in the form of lower prices.
Employers are not only encouraging but providing their employees with financial incentives to go to lower-cost facilities. As the *Los Angeles Times* reports, companies like Wal-Mart and Kroger Co. are waiving deductibles, giving substantial bonuses and covering travel and even procedure costs for patients that go to cheaper providers.

So if your efforts to lower the cost incurred by patients brings you more cases, the decline in what you earn per case should be offset; your ASC will be rewarded with more cases at a slightly lower rate, which may be better than fewer cases at a slightly higher rate.

3. Provide quality transparency. It’s not just enough to know and be able to say your ASC provides high-quality care — patient-consumers need to see the proof to back it up. If you’re accredited, this should be prominently displayed on your website, with an explanation of what accreditation means and what it says about the quality of the care you provide. Patient satisfaction ratings and testimonials, outcomes data and your performance on quality measures should also appear on your website and in marketing materials.

Transparency in quality and cost isn’t just important to patient-consumers and employers. Payors are placing a greater emphasis on it as well, and are contracting for services to help their members make educated health decisions based around these components. For example, in late January, insurer Harvard Pilgrim Health Care contracted with Castlight Health to provide 600,000 Harvard Pilgrim plan participants access to insight into cost and quality information for providers and common procedures. Castlight Health is a company built around providing information about healthcare price and quality.

4. Develop and promote travel program. When a patient-consumer from outside your area comes to you for care, they’re not just coming to your facility — they’re coming to your city, its airport or train station, a nearby hotel and local restaurants. Planning some of these experiences may add stress while others may make traveling for surgery more appealing. If your ASC develops a travel program, it can help with both.

Travel programs are designed to assist patients in making the necessary plans to get to your area, ensure they have the means to get to and from your facility for their care and make the time they spend before and after their procedure as stress-free and enjoyable as possible. Travel programs may provide recommendations and discounts on hotels, car rental agencies and restaurants, as well as information on tourist attractions and events taking place during a patient’s visit. The members of your facility assigned to the travel program should help address any questions from a patient about their visit and help to make the necessary arrangements and reservations. Facilities may cover some of the costs of a patient’s visit to further entice them to select them as their setting for care.

If your ASC develops a travel program, you should provide this information on your website and in marketing materials. Just the appearance of your travel program may provide a patient-consumer with greater confidence in your facility’s ability to help take care of them, not only in the OR but during their entire visit to your area.

5. Partner with surgery benefit management programs. There are a number of companies designed to help patient-consumers, employers and payors with shopping for providers. These companies, sometimes referred to as surgery benefit management programs, assemble a network of preferred facilities, usually based upon a detailed set of criteria.

One such company — Bridge Health Medical — has criteria that includes accreditation by a national agency and demonstration of outcomes and satisfaction scores in the top 25 percent of facilities in the country. If your ASC meets the criteria of a surgery benefit management program and becomes a part of its network, this may further enhance the likelihood of your becoming a destination setting for new patients.

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### 10 Top Ambulatory Care Procedures & Unexpected Denial Rates

**By Laura Miller**

Here are the top 10 procedures performed at ambulatory care facilities by total billed amounts from Nov. 15, 2012 to Feb. 11, 2013, and the denial rates for each procedure based on data collected by RemitDATA, an independent source of comparative analytics for reimbursement, utilization and productivity data. The database houses 25 percent of all national outpatient remits.

1. Proton treatment simple with comp.: 10 percent
2. Proton treatment intermediate: 10 percent
3. Cataract Surgery With IOL 1 Stage: 7 percent
4. Upper GI/Endoscopy Biopsy: 8 percent
5. Provide INR Test Materials/Equipment: 10 percent
7. Office/Outpatient Visit, Est. (CPT 99214): 9 percent
8. Office/Outpatient Visit, Est. (CT 99213): 7 percent
9. Radiation Tx Delivery Intensity Modulated Radiation Therapy: 14 percent
10. Colonoscopy and Biopsy: 9 percent

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Allied Physicians Surgery Center (South Bend, Ind.). This center opened in Feb. 2000 and has performed more than 10,000 procedures a year since 2005 — and more than 20,000 a year since 2007. More than 80 physicians perform procedures in the center’s seven operating rooms and two minor procedure rooms.

Ambulatory Surgery Center of Spartanburg (Spartanburg, S.C.). The ASC of Spartanburg is a joint venture between Spartanburg Regional Medical Center and a group of 34 physicians and was opened in April 2002. The center has performed more than 10,000 procedures for the past six years.

Ambulatory Surgery Center of Western New York (Amherst). The Ambulatory Surgery Center of Western New York has been owned and operated by physicians since its inception in 1999. This multispecialty ASC performs around 15,000 cases annually.

AtlantiCare Surgery Center (Egg Harbor Township, N.J.). AtlantiCare Surgery Center was opened in 1997 as part of AtlantiCare’s large health system, under the AtlantiCare Health Services division. Physicians perform around 12,000 cases annually at the surgery center.

Baptist-Physicians’ Surgery Center (Lexington, Ky.). The Baptist-Physicians’ Surgery Center was founded in 2002 and is located on the Central Baptist Hospital campus in Lexington, Ky. Over 13,000 procedures are performed at the surgery center each year.

Barnabas Health Ambulatory Surgery Center (Livingston, N.J.). Barnabas Health Ambulatory Surgery Center includes seven operating rooms, three minor procedure rooms and three endoscopy suites. In total, the surgery center is estimated to perform 17,000 surgical procedures a year.

Bend (Ore.) Surgery Center. Bend Surgery Center opened in 1997 and moved to a new location in Oct. 2005. The center has been doing more than 10,000 cases a year for the past four years.

Berks Center for Digestive Health (Wyomissing, Pa.). This single-specialty GI center opened in Dec. 2001 and has done more than 10,000 cases a year since 2005. The center is a joint venture between 11 physician owners and Physicians Endoscopy.

Centennial Surgery Center (Voorhees, N.J.). The physician-owned Centennial Surgery Center was established in Sept. 1999 by a group of 16 physicians. The center now has more than 60 physicians, four operating rooms, two endoscopy rooms and two short procedure rooms and has done more than 10,000 procedures a year since 2004.

Center for Ambulatory Surgery (West Seneca, N.Y.). Equipped with four surgery suites and five endoscopy suites, this 18,000-square-foot center does more than 15,000 procedures every year. The center is a 50-50 equity partnership between 16 physician-owners and The C/N Group.

Charlotte Surgery Center (Charlotte, N.C.). Opened in 1985, this multispecialty partnership between Surgical Care Affiliates (SCA) and local physicians features seven ORs. More than 12,000 cases are performed annually at the facility.

Cypress Surgery Center (Wichita, Kan.). The Cypress Surgery Center was founded by medical director David Grainger, MD; Michael Brown, MD; and Bruce Tjahden, DO; and opened in Nov. 2000. Since 2008, the center has done more than 10,000 procedures a year.

Dearborn (Mich.) Surgery Center. The Dearborn Surgery Center was established in June of 2005 and has been performing more than 10,000 procedures a year since 2006 — averaging 12,500 per year.

Eastside Endoscopy Center (Bellevue, Wash.). Eastside Endoscopy Center has been performing more than 10,000 procedures a year for the past four years including 10,516 procedures in 2011. This single-specialty GI/endoscopy center has 10 practicing physicians that specialize in colonoscopy, upper endoscopy and flexible sigmoidoscopy.

Eastside Endoscopy Center (St. Clair Shores, Mich.). The Eastside Endoscopy Center opened in April 1996 and has been doing more than 10,000 procedures since 2008. The center is a joint venture between eight physician owners and St. John Hospital and Medical Center in Detroit.

Endoscopy Institute of Hawaii (Honolulu). The Endoscopy Institute of Hawaii has a staff of nine board-certified and board-eligible surgeons and annually performs more than 10,000 procedures. The facility was opened in 2012 as a joint venture between Skai ventures and eight endoscopic surgeons.

The Eye Center of Columbus (Ohio). The center opened in 2006 as a joint venture between 30 ophthalmologists and AMB Development Group. Each year the center performs approximately 10,000 surgical cases.

Fayetteville Ambulatory Surgery Center (Fayetteville, N.C.). Built in 1982, this joint venture between Surgical Care Affiliates (SCA), Cape Fear Valley Health System and Fayetteville Ambulatory Surgery Center performs 13,000 cases annually in a wide variety of specialties.

Florham Park (N.J.) Endoscopy Center. Florham Park Endoscopy Center currently has 15 board-certified gastroenterologists with facility privileges. Each year, the center completes more than 10,000 procedures.

Fredericksburg (Va.) Ambulatory Surgery Center. Fredericksburg Ambulatory Surgery Center is owned by Mary Washington Healthcare. The ASC performs approximately 10,000 procedures per year.
Galloway Endoscopy Center (Miami). Galloway Endoscopy offers colonoscopy, upper endoscopy and flexible sigmoidoscopy procedures. The Galloway Endoscopy Center is fully staffed by bilingual healthcare professionals and completes over 14,000 procedures each year.

Gateway Surgery Center (Concord, N.C.). This multispecialty center opened Jan. 1, 2006 and has been doing more than 10,000 cases a year for the past four years.

Jacksonville (Fla.) Center for Endoscopy. Jacksonville Center for Endoscopy was established in 1998 and is owned and operated by the Borland-Grove Clinic physicians. Between its two locations, Jacksonville Center for Endoscopy annually performs more than 32,000 procedures annually.

Kemp Surgery Center (Everett, Wash.). The Kemp Surgery Center was opened in Nov. 1997 by the Everett Clinic and has done more than 10,000 procedures a year since 2001, including more than 16,000 in 2011.

Kentucky Surgery Center (Lexington). This center opened in Dec. 1986 and has been doing more than 10,000 cases a year since 2007. This physician-owned facility is 28,000 square feet and has seven ORs and three procedure rooms.

Lakeland Surgical and Diagnostic Center (Lakeland, Fla.). The Lakeland Surgical and Diagnostic Center opened in April 1996 as a joint venture by the Watson Clinic and the Lake-land Regional Medical Center. The center has been performing more than 10,000 procedures since 2001 and hit more than 20,000 in 2010.

Lutheran Healthcare ASC (Brooklyn, N.Y). The Lutheran Healthcare Ambulatory Surgery Center performs procedures for an estimated 10,000 patients per year. The most common surgical procedures done at the Lutheran Healthcare ASC include laparoscopic cholecystectomy, hysteroscopy, tubal ligation, hernia surgery, cataract surgery and foot surgery.

Manhattan (N.Y) Endoscopy Center. Manhattan Endoscopy Center opened in December of 2011 as a joint venture between a group of 20 physicians and Frontier Healthcare Holdings. The center’s board-certified gastroenterologists perform between 13,000 and 14,000 procedures per year.

Memorial Mission Surgery Center (Chattanooga, Tenn.). The Memorial Mission Surgery Center opened in 2003 and performed 11,000 total cases in 2011. The center, which opened in 2003, is owned primarily by GI and orthopedic physicians, as well as two general surgeons and one ENT.

Menomonee Falls (Wis.) Ambulatory Surgery Center. This center opened in 1994 and is a joint venture between a community hospital and two large medical groups. This multispecialty center has done more than 12,000 cases since 2002.

Michigan Endoscopy Center (Farmington Hills, Mich.). This single-specialty GI center opened in March 2003 as a joint venture between 16 physicians and Physicians Endoscopy and has been performing more than 16,000 procedures each year since 2006.

Midtown Endoscopy Center (Atlanta, Ga.). Midtown Endoscopy Center opened in 2001 under an affiliation with Atlanta Gastroenterology Associates and performs about 10,620 cases a year. The physician-owned center has 18 physicians and four ORs.

Mississippi Valley Surgery Center (Davenport, Iowa). Mississippi Valley Surgery Center was opened in 1996 by a small group of physicians. The center annually performs an estimated 12,000 surgical cases.

New York GI Center (Bronx, N.Y.). This single-specialty GI center opened in March 2007 and does 10,800 procedures a year. The current facility includes fives ORs, but an expansion
planned for this year will add two additional ORs and enhanced facilities for staff and patients.

Northpoint Surgery and Laser Center (West Palm Beach, Fla.). This center opened in Sept. 1996 as a limited partnership with 13 physician owners and an entered into a joint venture with National Surgical Care in 2003. The center has been doing more than 20,000 cases a year since 2006.

Northwest Michigan Surgery Center (Traverse City, Mich.). This center opened in April 2004 and currently does over 17,000 cases a year. The center specializes in gastroenterology, ophthalmology, orthopedics, urology, plastic surgery, ENT and gynecology.

Outpatient CareCenter (Birmingham, Ala.). Affiliated with Surgical Care Affiliates (SCA), this multispecialty facility performs more than 13,000 procedures annually. It features eight operating rooms as well as a procedure room.

Physicians Endoscopy Center (Houston). This single-specialty center opened in Dec. 2002 and performs more than 13,000 cases every year, more than 100,000 procedures since its opening. The center is a joint venture between HCA Ambulatory Surgery Division and several physicians who originally founded the center.

Saint Vincent Surgery Center (Erie, Pa.). Saint Vincent Surgery Center opened in 1987 as a freestanding ambulatory surgery center. Each year the center performs an estimated 10,000 procedures.

Southwest Florida's Center for Sight Ambulatory Surgery Center (Sarasota). Southwest Florida's Center for Sight Ambulatory Surgery performs over 12,000 procedures every year. The ASC has three operating rooms and a comprehensive laser suite for LASIK procedures.

Springfield (Ill.) Clinic's Ambulatory Surgery Center and Endoscopy Center. Springfield Clinic’s Ambulatory Surgery Center and Endoscopy Center is accredited and annually performs approximately 18,000 procedures. The five operating room- and four endoscopy room-center is located on Springfield Clinic’s main campus.

Surgical Center of Greensboro (Greensboro, N.C.). Comprised of two facilities across the street from one another, this multispecialty center features a combined total of 13 ORs. Affiliated with Surgical Care Affiliates (SCA), they serve more than 13,000 patients annually.

Surgi-Center of Central Virginia (Fredericksburg). Surgi-Center of Central Virginia is a partnership between local physicians and United Surgical Partners International. The center performs an estimated 15,000 procedures each year.

Toledo (Ohio) Clinic Outpatient Surgery Center. Toledo Clinic Outpatient Surgery Center, established in 1984, has 10 operating suites. The center completes more than 11,000 procedures each year.

Urologic Ambulatory Surgery Center (Cincinnati). The Urology Center's Urologic Ambulatory Surgery Center offers exclusively outpatient urology services including prostate biopsy, cystoscopy, ureteroscopy, vasectomy, hernia treatment and lithotripsy. The surgery center annually performs over 14,000 procedures.

Vidant SurgiCenter (Greenville, N.C.). Vidant SurgiCenter is a free-standing multispecialty facility that annually performs more than 12,000 procedures. The center opened in 1982 and currently has a medical team of over 200 physicians.

Wabash Valley Surgery Center (Terre Haute, Ind.). The Wabash Valley Surgery Center is a 28,000-square-foot facility located on the Union Hospital Campus. Approximately 11,000 procedures are performed at the surgery center each year.

West Side GI (Manhattan, N.Y.). West Side GI was opened in June 2012 as a joint venture between a group of 11 physicians and Frontier Healthcare Holdings. The surgery center’s gastroenterologists annually perform an estimated 13,000 procedures.

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is important for the ASCs is to make sure they can get plugged in to those conversations and development activities.

Sometimes, as ASC leaders, we don’t know what is going on around us, so the best way to find out is to plug into the general practice or family practice physicians. This is important because they will have a seat at the table and understand the discussion and formations taking place. You have to plug into general practitioners because they are a fundamental foundation of the ACO and it’s all about patient capture.

Q: What are the benefits and challenges for ASCs in markets forming ACOs?

JF: The benefits include retaining, and possibly gaining, market share by holding on to referral patterns and the patient base ASCs already have. At the same time, another intrinsic benefit is the knowledge you are participating in an initiative that will keep costs low and reduce medical spending across the country.

The challenges include the risk of losing your current patient population and referral patterns. Even if you are the lowest cost and best clinical option, economics may override that as the ACO developers decide it’s more beneficial to channel and redirect patient care to a different source. It’s all about the economics and incentives for ACO participants.

There are some critics suggesting that ACOs will actually cause medical spending to go higher because they steer patients to someone who isn’t the lowest-cost provider, which will drive costs up.

Q: Where do you see the trend of ACOs heading in the future?

JF: I think the ACO development will continue. We have a need as a country to control medical inflation because our current course is not sustainable. Lower cost alternatives are one way to bend the cost curve. These initiatives may spring up in a different form or fashion, but overall the general concept of ACOs will continue to evolve over the next three-to-five years.

We are seeing payors skating to the ACO puck now, trying to find a way to help with this initiative, and large health systems are developing them as well.

Q: How will this continuing trend of ACO formation impact ASCs in the long run?

JF: I think ASCs are a natural fit for ACOs, but we can’t assume their participation is automatic. I could see situations where health systems with hospital outpatient departments acquire family practices to strongly influence, if not dictate, where those patients will have their care. If they control the steerage, patients will end up at the HOPD where the cost is more than at the ASC. I think that’s a very likely scenario.

Q: Could an ASC mitigate that risk by partnering with a hospital? Will hospital alignment be necessary in the future?

JF: I don’t know that ASCs would have to be directly aligned with the hospital as long as they had the correct alignment with the primary care group. That will be the critical access point, but it would be best to have a direct seat at the table. Talk to primary care physicians and find out about ACO development in your community, and let them know you are willing to participate and help them achieve their goals.

That referral stream and relationship with those groups of practitioners is critical for ASCs to participate in ACO development. Look at the specialists physicians who are part of the ASC and follow the trail backwards. Look at the patient population and trace them back to the primary care referral source. As a general rule, 80 percent of the referrals will come from 20 percent of the physicians. Understanding the referral pattern and relationship is critical because those channels could be changed by the economics of the ACO.

Q: How will ASCs ensure fair remuneration for their services in the ACO? What circumstances should they avoid?

JF: There is uncertainty about how ASCs will be reimbursed and share in the shared savings program. It will be critical for ASC leaders to stay involved in those conversations so they understand how shared savings dollars will be divided up and distributed for those who meet the three criteria of the triple aim. This goes back to maintaining a strong relationship with the primary care physicians to make their voices heard. In some markets, ASCs may not get a seat at the table, but they will have access to the primary care physician constituency group.

The primary care physicians don’t want to break their relationship with specialists who see their patients and have quality outcomes. They know that specialist is able to meet their needs and they don’t want to break the referral patterns either. One of our fears is that if ASCs aren’t actively networking and participating in these conversations, the conversations will go on without them. Then, the referral patterns could change because the ASC was passive.
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HIPAA Compliance: 5 Key Considerations for ASCs, Physician Practices and Small Providers

By Holly Carnell, JD, Associate and Meggan Bushee, JD, Associate at McGuireWoods


On January 17, 2013, the U.S. Department of Health and Human Services (HHS) released the long-awaited omnibus final rule (Final Rule) pursuant to the Health Information Technology for Economic and Clinical Health Act (HITECH Act) and the Genetic Information Non-Discrimination Act of 2008 (GINA). The Final Rule is effective as of March 26, 2013, and covered entities and business associates must comply with the applicable requirements of the Final Rule by September 23, 2013.

The key compliance tasks for covered entities related to the Final Rule are as follows:

• Revise and redistribute Notices of Privacy Practices to patients.
• Revise policies and procedures and train workforce on new requirements.
• Update breach definition and breach assessment tools to comport with the new “objective” breach standard (as discussed below).
• Evaluate all business associate relationships to ensure business associate agreements are in place as required under the expanded definition of Business Associate.
• Revise existing business associate agreements by September 23, 2014.
• HITECH Mandated Audits Have Commenced.

The HITECH Act requires HHS to perform periodic audits to ensure covered entities and business associates are complying with the HIPAA Privacy and Security Rules and Breach Notification standards. The Office for Civil Rights (OCR) implemented a pilot program whereby KPMG LLP, a public accounting firm, developed an audit protocol and conducted 115 audits of covered entities from November 2011 through December 2012. The audit protocol is posted on the OCR website and provides a useful tool for providers to ensure they comply with the Privacy and Security Rules and Breach Notification standards.

Small Providers are Facing Large Fines.

On January 2, 2013, HHS announced it had reached an agreement with the Hospice of North Idaho (HONI) to settle potential violations of the Security Rule. HONI was investigated after it reported to HHS the theft of an unencrypted laptop computer that contained the electronic protected health information (ePHI) of 441 patients. In its press release regarding the settlement, OCR Director Leon Rodriguez emphasized that the action against HONI “sends a strong message to the healthcare industry that, regardless of size, covered entities must take action and will be held accountable for safeguarding their patients’ health information.”

Another notable enforcement action against a small healthcare provider occurred in April 2012, against Phoenix Cardiac Surgery, P.C., a cardiology practice with just two owners. The initial claims against the practice related to postings by practice staff of clinical and surgical appointments for patients on a publicly accessible Internet-based calendar. The OCR investigation soon expanded into a full review of the entity’s HIPAA compliance which led to a determination by OCR that the practice, amongst other things, failed to implement adequate policies and procedures, document employee training, appoint a security official, and conduct a security risk assessment. The practice paid $100,000 to settle the claims against it and entered into a corrective action plan (CAP).

Security Rule Compliance is the Focus of OCR Enforcement Actions.

Recent HIPAA enforcement actions publicized by OCR demonstrate a pattern of sanctioning entities that are out of compliance with the Security Rule. As of February 28, 2013, OCR had 258 open complaints and compliance reviews specifically pertaining to the Security Rule. In June 2012, following a $1.7 million settlement of Security Rule violations, OCR Director Leon Rodriguez cautioned, “Covered entities must perform a full and comprehensive risk assessment and have in place meaningful access controls to safeguard hardware and portable devices.”

Also in June 2012, following agreement by Massachusetts Eye and Ear Infirmary and Massachusetts Eye and Ear Associates Inc. to pay HHS $1.5 million to settle potential Security Rule violations, Rodriguez commented, “In an age when health information is stored and transported on portable devices such as laptops, tablets, and mobile phones, special attention must be paid to safeguarding the information held on these devices.” While Security Rule compliance may not have been a focus of providers in the past, it is an area where an increased effort towards compliance may render significant benefit to covered entities and business associates.
New Standard for Breach of Unsecured PHI.

HIPAA requires notice to affected individuals, HHS and, in certain circumstances, the media when covered entities or their business associates discover a “breach” of unsecured PHI. HHS defines “breach” as the “acquisition, access, use, or disclosure” of PHI in violation of the Privacy Rule that “compromises the security or privacy of the PHI.” Previously in the Interim Final Rule, HHS defined the phrase “compromises the security or privacy of the PHI” to mean that the acquisition, access, use or disclosure “poses a significant risk of financial, reputational, or other harm to the individual,” which became known as the “risk of harm standard.” After considering public comments, HHS determined that the risk of harm standard was too subjective and could be construed and implemented in a manner it had not intended. Accordingly, in the Final Rule, HHS revised the definition of “breach” to state that unless an exception applies, an impermissible use or disclosure of PHI is presumed to be a breach requiring notification unless the covered entity or business associate, as applicable, demonstrates that there is a low probability that the PHI has been compromised. To determine whether there is a low probability that the PHI has been compromised, the covered entity or business associate, as applicable, must conduct a risk assessment that considers certain factors to determine the overall possibility that the PHI has been compromised.

Expect an Increase in New ASC Development: Q&A With Rob Carrera of Pinnacle III

By Laura Miller

Question: Are there still opportunities out there for physicians to develop de novo surgery centers?

Rob Carrera: In the past 12 months, we have experienced an uptick of groups interested in new surgery center development. Interest is coming from hospital/physician joint ventures as well as physician-only centers, a trend we anticipate going forward. A lot of these new centers are focusing on bringing higher acuity cases, traditionally performed as inpatient cases, into the outpatient arena. Orthopedic, spine and higher acuity general surgery cases are being driven into these ASCs.

Q: Is this a widespread trend or are there certain markets that are more likely to foster de novo ASC development?

RC: We’ve seen a lot of different scenarios. Physicians who were participating in multispecialty ASCs are forming larger physician groups and seeking opportunities to invest in their own single-specialty centers. Single-specialty joint ventures are resurfacing. These trends are occurring in both larger markets and smaller markets.

Q: Why are we seeing an uptick in de novo projects? What factors make it possible to develop these new centers?

RC: I think a lot of it is due to financing. In the past year, banks and lending institutions have been making money available for these types of projects. As a result, some of the physician groups and hospitals have decided it’s a good time to make these types of investments. For physician/hospital joint ventures, hospitals are realizing the value of aligning with physicians and developing relationships with groups they haven’t had relationships with in the past. Hospitals are looking to form relationships with surgeons who were in another hospital’s sphere of influence and new systems are developing relationships with physician groups.

A significant amount of hospital expansion has occurred in recent years and the next phase of their strategic planning is to look into joint ventures in areas hospitals may not have previously reached geographically. They might have a location in a new part of the city that allows them to work with a physician group who would have been out of their range in the past. For physician-only centers, we are seeing physicians exerting their influence by doing it on their own. In smaller markets, physicians may have thought about developing a center for a long time and are now getting around to solidifying that as part of their practice.

Q: What advantages are there for physicians partnering with hospitals on joint venture ASCs?

RC: There are a lot of advantages for physicians. ASCs will have access to patients they didn’t have access to in the past if the hospital has an exclusive relationship with a payor or their own managed care plan. There are always capital needs for ASCs, and a hospital partnership can be advantageous for the ASC from that standpoint. Additionally, if there is a great geographic location for the ASC but it falls within an area around the hospital, a joint venture allows physicians the opportunity to open an ASC within hospital-controlled real estate.

Q: What do surgeons need to consider when deciding to open a new surgery center?

RC: They need to look at where there is a need for their services. Some markets contain an abundance of ASCs and adding another one in that area may not make sense. Ensure a feasibility study is undertaken to evaluate the proposed center to determine whether an ASC makes sense from a business standpoint. We’ve seen too many development projects based on a “build it and they will come” mindset which end up failing all too often.

Expect an Increase in New ASC Development: Q&A With Rob Carrera of Pinnacle III

By Laura Miller

Question: Are there still opportunities out there for physicians to develop de novo surgery centers?

Rob Carrera: In the past 12 months, we have experienced an uptick of groups interested in new surgery center development. Interest is coming from hospital/physician joint ventures as well as physician-only centers, a trend we anticipate going forward. A lot of these new centers are focusing on bringing higher acuity cases, traditionally performed as inpatient cases, into the outpatient arena. Orthopedic, spine and higher acuity general surgery cases are being driven into these ASCs.

Q: Is this a widespread trend or are there certain markets that are more likely to foster de novo ASC development?

RC: We’ve seen a lot of different scenarios. Physicians who were participating in multispecialty ASCs are forming larger physician groups and seeking opportunities to invest in their own single-specialty centers. Single-specialty joint ventures are resurfacing. These trends are occurring in both larger markets and smaller markets.

Q: Why are we seeing an uptick in de novo projects? What factors make it possible to develop these new centers?

RC: I think a lot of it is due to financing. In the past year, banks and lending institutions have been making money available for these types of projects. As a result, some of the physician groups and hospitals have decided it’s a good time to make these types of investments. For physician/hospital joint ventures, hospitals are realizing the value of aligning with physicians and developing relationships with groups they haven’t had relationships with in the past. Hospitals are looking to form relationships with surgeons who were in another hospital’s sphere of influence and new systems are developing relationships with physician groups.

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Executive Briefing: ASC Infection Control & Quality Improvement

10 Essential Elements for Excellence in ASC Infection Control Programs

By Carrie Pallardy

Healthcare associated infections have long been considered a hospital problem, but with 75 percent of surgical procedures in the United States being performed on an outpatient basis, ASCs need to address the issue of HAIs as well. HAIs are responsible for 1.7 million deaths per year, one-third of which are preventable. ASCs are built on the reputation of being a superior option to hospitals and if this is the case ASCs must not only meet, but exceed hospital standards for infection prevention.

Chuck Peck, MD, managing director of Navigant Consulting and leader of clinical and operational effectiveness, and T.K. Miller, MD, associate professor of surgery at Virginia Tech/Carillion School of Medicine and medical director of Roanoke Ambulatory Surgery Center and Carillion Outpatient Surgery, discuss 10 tips for ASCs to build and implement a standardized infection prevention program.

1. Be aware of current guidelines and regulations. Before creating a program, ASCs need to know the current guidelines and regulations dictating proper infection prevention and control in a healthcare setting. Compliance with current guidelines and regulations will create the basis of your infection prevention program.

Current Centers for Disease Control guidelines state:

- Patients should take an antiseptic shower the day before arriving at surgery center
- Any necessary hair removal should be done immediately before the procedure
- The surgery site should be prepared with an antiseptic; preferred agents should provide rapid, persistent, broad-spectrum antimicrobial activity (e.g., 2 percent Chlorhexidine Gluconate/70 percent Isopropyl Alcohol formulation)
- The surgical team should wash their arms and forearms before the procedure
- ASCs and all healthcare organizations must have established protocols to prevent the transmission of infection from staff to patients
- Patients should be given an antimicrobial prophylaxis prior to the procedure

In 2009, CMS began enforcing new conditions for coverage of ASCs. The most important CMS conditions include having written policies and procedures that minimize communicable infections and maintaining contact with a trained infection prevention individual.

2. Regularly work with a licensed and trained infection prevention and control individual or team. CMS guidelines stress the need for ASCs to work with at least one person licensed and trained in infection prevention and control, if not an infection prevention team. ASCs should require that an individual or team assisting with infection prevention have documentation proving qualifications.

“Certification is not required unless specified by state laws, however the better you do at showing that your infection control officer has the best possible certification and training, the better you do if there is ever discussion about problems that occur,” says Dr. Peck. A verified infection prevention expert will be able to facilitate the creation and realization of an effective program.

3. Know your patient base. Each ASC needs to be familiar with the culture of the patient population it serves. A patient community can constitute an at-risk population before any individual even enters the surgery center. If this is the case, institute protocols to mitigate the risk of patients bringing infection to the center or catching an infection at the center. The CDC requiring patients take an antiseptic shower the day before surgery “is much more difficult in an ambulatory setting to get patients to buy into,” says Dr. Miller. “Assume patients won’t, even given directions. Give an onsite chlorhexidine scrub the day of surgery.”

4. Know your environment. Each ASC is going to have a unique environment and it is vital to understand this environment in order to create a standardized program that will work for your ASC. External housekeeping services should be spot checked to ensure outside staff is in compliance with current guidelines and regulations. Monitor the positive and negative air pressure gradients, temperature and humidity levels, number of air changes per hour and potential security risks. Ensure none of these factors contribute to an environment conducive to spreading infection.

5. Strengthen your first line of defense. Infection prevention begins with your staff. Hand hygiene and employee health are the first steps in assembling a successful infection prevention program. According to Dr. Peck, regulatory agencies prefer alcohol-based hand rubs. Dr. Miller explains that the “use of an alcohol-based hand rub can increase compliance with recommended hand hygiene practice by requiring less time and irritating hands less.” Instruct your staff to begin each day with a hand scrub and place scrub stations throughout the ASC.

Enforced employee health protocols are one of the most important first steps in infection prevention. In addition to basic hand hygiene, staff should be aware of potential risks and how to mitigate these risks. A recent study of ICU nurses found that the skin beneath rings represented an area of substantial risk for gram-negative bacteria growth. Staff should always change their gloves, be aware of the risks jewelry can entail and avoid artificial nails.

The number one violation recently found in ASCs and an area CMS is heavily focusing on is the use of single-use vials for more than one patient. Your staff should strictly adhere to safe injection, infusion and medical vial practices.

6. Create a culture of infection prevention. Create and reinforce specific protocols for infection prevention that become a part of the staff’s daily routine. Cleaning, disinfection and sterilization protocols, once learned, will be both easy to follow and a strong element of your ASC’s program.

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Before sterilization, instruments should be decontaminated with detergent, enzyme cleaner and water. “Effective sterilization cannot occur without effective cleaning,” says Dr. Miller.

Sterilization should be done with an FDA-approved chemical agent and flash sterilization should be kept to a minimum. Your staff should label sterilized items with the date of sterilization, the sterilizer used and the controlled conditions in which it was done.

Once items are properly sterilized, it is important to follow proper storage guidelines to ensure supplies remain sterile. Your storage area should never be over 75 degrees Fahrenheit or over 75 percent humidity. All items should be kept 8” to 10” off the floor and 18” away from sprinkler heads. Avoid using cardboard, which can be accidentally penetrated. Train your staff to rotate supplies in order to track what the center has and quickly notice any compromised items.

7. Involve your physicians. Physicians, as well as your healthcare staff, need to participate in the prevention program. “There has to be an active surveillance program. This means monitoring and feedback from staff and physicians,” says Dr. Peck. Require patients to give feedback so you can effectively track postoperative infections. Physicians follow up with their patients and flag any potential risks.

A case study revealed that Lakeland Surgical and Diagnostic Center had two physicians and an epidemiologist staffing an infection control committee. The case study found that increased physician involvement on the front end led to fewer infections.

8. Provide administrative support. Administrative support is key to maintaining effective infection prevention, and Dr. Miller and Dr. Peck suggest holding obligatory recorded staff-wide meetings at least once every quarter. At these meetings, ASC administrators can outline the prevention program, highlight staff strengths, go over any areas that need improvement and discuss any updates in regulations that would necessitate a change in the program. “Each staff member is required to be present or review the recording,” says Dr. Peck of physicians at his center.

9. Constantly document and track. “Tracking results is critical to demonstrating effectiveness,” says Dr. Miller. Your staff should be responsible for documenting each step taken to prevent infection.

“Record keeping is an absolute must. If it is not documented and written down then assume no one will believe it happened,” says Dr. Peck. Two important areas to document are bacterial reduction due to employees adhering to hand hygiene protocols and the amount of time your infection control officer spends on the program at your ASC.

CMS requires ASCs to maintain a four-week tracking period for infections, but for an excellent program Dr. Miller and Dr. Peck recommend a six-week tracking period.

Your staff should be instructed to track all product lot numbers, from the larger items all the way down to sutures. At an ASC where patients had a soft tissue reaction to sutures, the center’s staff was able to track an outbreak of patient infection back to a specific group of sutures.

10. Update the program. Your infection prevention program should be designed with adaptability in mind. Regulations and guidelines are not static and once you implement a standardized program you may need to adjust the program tailored for your ASC. “You have to have a means of evaluating and following up on your infection control policies. Revise them when indicated. They are not carved in stone and actually as things evolve there has to be a policy to update and bring everybody on board,” says Dr. Peck.

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4 Challenges ASCs Face in Standardizing Infection Control & How to Overcome Them

By Carrie Pallardy

T.K. Miller, MD, and Chuck Peck, MD, discussed the urgent need to create and implement a standardized infection prevention program in ASCs. Though setting up a standardized program is not obstacle free, Dr. Peck explains that it “could result in less waste, more importantly fewer errors and better quality outcomes for patients, the net result being increased cost effectiveness.” Here are four challenges faced by ASCs when trying to put into practice a standardized program.

1. Many different surgeons. ASCs are used by many different surgeons. Some may have an interest in the center and some may simply use the center to perform procedures, and all will have a busy schedule. Familiarizing the surgeons, not to mention the regular staff of the ASC, with a new infection prevention program can be potentially time consuming. Every new physician and staff member should have infection control included within the orientation program at the center. They should also meet with the director of the infection control program.

2. Many different subspecialties. Many ASCs are multispecialty facilities and each subspecialty is accompanied by specific habits and methods. The variance in surgeon and staff behavior can be difficult to streamline when working toward the execution of a standardized program. If a best practice IC system is in place, the risk of infectious complications is greatly reduced and less susceptible to individual variation among subspecialties. Focus on the system, not the individuals.

3. High case turnover rate. Outpatient procedures require a high patient turnover rate. A single ASC can treat thousands of patients during the course of year. Documenting and tracking each patient and everything associated with each procedure as required for an effective infection control program takes organization and commitment. Build fail-safe mechanisms into the system. Make IC part of the culture and not just a one-time project.

4. Consequent infections may involve different healthcare settings. ASCs are required to collect patient complications and hospital admissions related to surgery for their infection control program. However, patients who acquire an infection at your ASC may not necessarily return for treatment, instead turning to a hospital or different healthcare setting. This can make it difficult to track what infections originated at your ASC and how. The advent of electronic medical records and Regional Health Information Organizations should help alleviate this concern.

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6 Considerations for ASC & Hospital Joint Ventures

By Heather Linder

The ownership landscape of ambulatory surgery centers continues to evolve, and many centers may be looking for financial partners to improve or expand business. A hospital joint venture could be an advantageous course of action.

Wayne J. Miller, Esq., is a healthcare transaction and regulatory attorney and founding partner of the Los Angeles-based Compliance Law Group. He has extensive experience in hospital-physician ventures and acquisitions. Stephanie Tarry is the senior vice president of business development with Nuettera Healthcare, a national management and development company that pioneered the physician-ownership business model in surgical facilities.

Here are Mr. Miller and Ms. Tarry’s six considerations for physician-owned ASCs looking to pursue a hospital joint venture.

1. Align goals of both parties. Having aligned goals and initiatives with a future joint venture partner is crucial for both parties, Ms. Tarry says. Learn the agenda of potential partners before finalizing any plans.

“It is important [for physician ASC owners] to try to ascertain whether the real intentions of the hospital are compatible with the doctors’ goals,” Mr. Miller says. “Is the desired transaction a true joint venture, where the hospital will manage jointly with the existing surgeons in the ASC? Or, instead, are they looking to try to buy out the existing ASC ownership, take over operations to add to its holdings and essentially marginalize the doctors?”

Both sides should be up-front from the first conversations about each party’s goals of the venture. Under some circumstances, the financial goals of the physician owners may be a hospital acquisition and takeover whereas in other situations they may want to stay involved and just achieve better billing rates and resources. Find a hospital with goals consistent and not at cross purposes with these physician objectives, Mr. Miller says.

“At the same time, the goals should be consistent with fraud and abuse and Stark law principles. For example, the venture should not be established with the intent of achieving a certain level of referrals or utilization between the hospital and physician owners,” he says.

The overarching goal, though, will always be for physicians to find a quality and efficient place to provide healthcare, Ms. Tarry says.

2. Agree upon future ownership and management structure. Economic control and governance control of the surgery center are separate considerations. In some cases, both sides may agree that the hospital may attain a significant capital investment in a surgery center but accept a passive management role, allowing greater say in management by the physicians. In other cases it may make more sense for a hospital to have majority management control with a commensurate ownership interest. Again, these decisions need to comport with federal and state law regulatory standards applicable to ASC joint ventures, says Mr. Miller.

ASCs should also be aware that as a condition of its investment, a hospital may want its own administration or a third party professional management company to be in control of surgery center operations, Mr. Miller says.

“Doctors need to think about whether that’s an acceptable scenario for them,” he says. “They should do due diligence of the desired managers or management company, particularly as to whether they have had good relations with physicians for other ASCs. For example, ask physicians in other ASCs whether the proposed management listens to and engages surgeons or if they just treat the physicians solely as statistics, bringing in cases.”

The equity interest structure is important as well, Mr. Miller is seeing more joint ventures where an entity comprised of surgeons in turn holds ownership in an ASC joint venture. This kind of structure may be organizationally efficient and may add a level of liability protection. However, it creates an indirect ownership relationship between the individual physicians and the ASC and can dilute an individual’s interest in the center itself.

Physicians should investigate how any proposed ownership structure changes would impact their total equity interest. A diluted ownership isn’t always negative, however; if the ASC becomes more profitable under the joint venture, holding the smaller percent interest may end up being a larger share of profit than before the venture, he says.

“Potentially doctors that now have a 5 or 10 percent individual interest now may end up having a smaller interest in the doctor investment company and even a smaller indirect interest in the ASC as a whole,” he says.

3. Understand the financial impact. Surgery centers can no longer assume that hospital ventures will automatically result in better commercial payer reimbursement rates, Mr. Miller says. It may be true in some cases if the hospital successfully transfers its favorable contract rates to ASC services. In other cases, the payors may prefer that the ASC not be saddled with hospital overhead that gets reflected when hospital rates apply, he says.

When approaching a joint venture, first see how a hospital investor would impact existing managed care contract arrangements. For example, ASCs that have thrived on being out-of-network may be forced to go in-network because the hospital’s contracts require it, so always get a financial analysis of how the hospital’s involvement will impact each contract before sealing a deal. “You can’t assume reimbursements will be better because a hospital is involved,” he says.

Another potential financial impact is the amount of cash or assets required at the deal’s onset. ASC owners should be clear on what each party brings to the table financially.

“When an existing ASC wishes to bring on a hospital partner, the valuation or expectation of the physicians can be worlds apart,” Ms. Tarry says. “Usually this situation will require a third party appraiser to assess the fair market value.”

Mr. Miller adds that regulatory requirements, at minimum, mandate that asset valuations need to be consistent with fair market value and that each party needs to contribute money or assets in line with their respective ownership interests.
Valuation is the first step in determining what each side brings to the financial equation. Physicians often expect the hospital to front the money but in some cases they will need to contribute a large sum of cash to become an equal partner and meet regulatory requirements.

4. **Know whether you need a licensure change.** ASCs should consider whether or not a license or classification change would be required following a joint venture with a hospital. Each state has different laws to look into, Mr. Miller says. He adds that the licensing and payment status may be dictated in part by whether the ventured ASC is ultimately under hospital, physician or equal control.

“If your desire is not to change any of the existing licensure or payor certifications, which is typically less costly and time consuming, then be sure that the desired joint venture ownership and management structure does not cause a ‘change of ownership’ under licensure or recertification requirements,” he says. For example, if the hospital attains majority ownership or management control, licensing standards may deem the facility to be licensed as part of the hospital rather than remain independent.

Likewise, a desire to keep the same provider numbers in place may also help dictate how much of a financial stake or management control the hospital will be allowed to have in the ASC.

5. **Prepare for changes after management company involvement.** If a hospital and ASC agree to use a third party management company, surgery center physicians will need to be prepared for a less personal and more financially disciplined setting. The new manager may establish and enforce operational goals for the ASC to help make the center more economically viable post joint venture, Mr. Miller says.

“The management company may insist on greater consistency in doctors using the facility and discipline those that don’t comply,” he says. “Can the surgeons accept this level of enforcement? If not, they may ultimately be bought out under venture expulsion provisions.”

In addressing this concern with a joint venture partner, physicians can broach the subject by asking how the hospital plans to improve the surgery center’s financials. “You need to understand how operational goals are expected to be achieved,” he says. “Be wary if it appears that projections can only be reached by pressuring doctors to bring more cases.”

6. **Collaboration v. joint venture.** A trend in the market that may be a precursor to a venture is a care collaboration or cooperation agreement between an ASC and a hospital, Mr. Miller says. These contracts are intended to achieve a more integrated or coordinated care system for patient surgeries. ASCs are aware of the increasing consolidation and cooperation of healthcare providers and seek to reserve their place in coordinated care, attempting to become less episodic and more engaged in a care network.

“Under these contracts, ASCs and hospitals are starting to work together to figure out how to use ASC resources most effectively in conjunction with hospital onsite in- and outpatient surgery resources for a community or region,” he says.

A venture or acquisition could evolve from a collaborative partnership. Regardless, with new Medicare and commercial initiatives to tie payments to effective care coordination, such as through accountable care organizations, it could be advantageous and ultimately necessary for ASCs to collaborate with hospital systems to achieve an integrated surgery care system.

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The Peconic Bay Medical Health System is expected to open its Manorville, N.Y., ASC, The Gertrude and Louis Feil Campus for Ambulatory Care, this spring.

The Maury Regional Medical Center in Spring Hill, Tenn., including an ASC, opened April 8.

Kaleida Health has tentative plans to lease 20 percent of the Buffalo (N.Y.) Niagara Medical Campus and open an ASC.

The Montefiore Westchester Square ASC has opened in New York.

Merritt Healthcare and Avicenna have partnered to develop the Avicenna Surgery Center in the Bronx, N.Y.

Kaiser Permanente has nearly completed a new medical center in Halethorpe, Md., which will include an ASC.

The $60 million Calko Medical Center is expected to open this month. Further plans for the center include the addition of an ASC.

The Executive Ambulatory Surgical Center in Dearborn, Mich., has submitted a certificate of need for a $6 million freestanding outpatient center.

Oklahoma Pain and Wellness Center has opened the Tulsa Ambulatory Procedure Center.

Excela Health has received permission from the Unity, Pa., planning commission to build the 114,000-square-foot Latrobe Ambulatory Care Center. The center is expected to open in 2014.

Inova Health Systems has opened the Inova Lorton Healthplex. The second phase of the project will include an ASC.

WNY Medical Management has recently completed an ASC in Buffalo, N.Y.

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5 Minimally Invasive Spine Surgery Trends for ASCs to Know

By Heather Linder

Hallett Mathews, MD, MBA, is the Executive Vice President and Chief Medical Officer of New York City-based Paradigm Spine, LLC, a non-fusion spinal implant and device technology manufacturer. Dr. Mathews is also a board-certified orthopedic spine surgeon. Here are Dr. Mathews’ five outpatient surgery trends that will have a substantial impact on spine physicians.

1. New innovation can make performing outpatient spine surgery easier. The pedicle screw for minimally invasive spine surgery, particularly fusions, has been routinely accepted for many years as the best method of fixation. However, Dr. Mathews says, pedicle screws are not necessarily a mainstay of decompression for spinal stenosis in outpatient spine surgery.

“Pedicle screw fixation techniques are less invasive than older traditional methods, but there is a gap of evidence to prove they are always needed,” he says. “Some of these devices can be placed in an outpatient setting, but surgeons are challenging whether pedicle screws are the best device to do that.” Surgeons are discovering the concept of stabilization without fusion and are not necessarily performing fusion as their first choice for stabilization.

Last fall, Paradigm Spine received FDA pre-market approval for its coflex® Interlaminar Technology as a non fusion stabilization device for moderate to severe, one- or two-level lumbar stenosis with up to grade 1 spondylolisthesis in adult spine patients. The coflex procedure is designed as a less invasive approach, and does not require an inpatient stay. New devices, such as the coflex, are an example of motion preserving innovation pushing spine surgery into an outpatient setting, he says.

“Older techniques, more traditional open techniques, have not proven to be better than newer, less invasive techniques with level one evidence as noted in the coflex® PMA study,” he says. “The older technologies are being challenged and spine surgery is trending toward the outpatient setting.”

2. Patients are searching for low-cost spine care. Historically, physicians have had little involvement with reimbursements at their facilities, Dr. Mathews says. Costs were not in the purview of a practicing physician, but now surgeons must be very aware of reimbursements and payors requirements.

“Older techniques, more traditional open techniques, have not proven to be better than newer, less invasive techniques with level one evidence as noted in the coflex® PMA study,” he says. “The pathology needs to be addressed, and there are certain retractors that allow you to expand the tubular concept to become more appropriate for less tissue trauma.”

3. Surgeons are more willing to adopt new techniques today. Typically, spine surgeons fall into three categories with technology adoption, Dr. Mathews says — there are traditionalists that adhere to the principles they were taught, there are fast followers and rapid adopters of new technology, and there are innovators of product, procedure and technique.

Dr. Hallett Mathews

While he does not foresee this changing, Dr. Mathews says some technologies must acknowledge there are economic forces challenging older techniques and outside pressure to stay current with new technologies. Patients are also driving market changes, including a move toward less invasive procedures. Patients are challenging traditional fusion as their only option of restabilization. Dr. Mathews says he has never had a patient come to his office wanting a spine fusion. In fact, medical education has taught surgeons how to overcome patient fears of fusions. He agrees that fusions are needed in some patients, and he offers that the coflex® PMA has segmented this patient group needing stabilization with fusion and those who can enjoy motion preservation with coflex®.

Surgeons should also clearly communicate the definition of “minimally invasive” spine procedures. Dr. Mathews prefers the term “appropriately invasive,” as varying size incisions are needed to address different pathologies.

While he does not foresee this changing, Dr. Mathews says surgeons must acknowledge there are economic forces challenging older techniques and outside pressure to stay current with new technologies. Patients are also driving market changes, including a move toward less invasive procedures. Patients are challenging traditional fusion as their only option of restabilization. Dr. Mathews says he has never had a patient come to his office wanting a spine fusion. In fact, medical education has taught surgeons how to overcome patient fears of fusions. He agrees that fusions are needed in some patients, and he offers that the coflex® PMA has segmented this patient group needing stabilization with fusion and those who can enjoy motion preservation with coflex®.

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“Older techniques, more traditional open techniques, have not proven to be better than newer, less invasive techniques with level one evidence as noted in the coflex® PMA study,” he says. “The older technologies are being challenged and spine surgery is trending toward the outpatient setting.”

4. Not all new technology will be beneficial. One concern about less invasive tech-
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Executive Briefing: Outpatient Spine Surgery in ASCs

Why Spine is Coming to ASCs: 3 Big Reasons

By Heather Linder

Hallett Mathews, MD, MBA, is the Executive Vice President and Chief Medical officer of New York City-based Paradigm Spine, LLC, a non-fusion spinal implant and device technology manufacturer. Dr. Mathews is also a board-certified orthopedic spine surgeon and minimally invasive spine surgery pioneer.

Spine surgery has been drastically evolving over the past nearly 28 years since Dr. Mathews began practicing. The industry’s latest phase of development includes surgeons performing procedures in outpatient centers rather than inpatient facilities.

Here are Dr. Mathews’ three points on why spine surgery is moving toward outpatient surgery centers and away from inpatient institutions.

Technological development

Dr. Mathews credits much of the transition to the development of more appropriate invasive techniques. Spine surgery has transitioned from a one incision and one-operation-fits-all approach to more patient- and disease-specific operations, he says.

“Surgeons have gotten better diagnostically,” Dr. Mathews says. “They can see specific pathologies on advanced technology imaging that correlates to clinical symptoms and now they can address disease using small incisions effectively.”

Surgeons can now let the pathology dictate the care. And because of the evolution in surgical approaches, more surgeons are finding outpatient surgery centers to be more suitable settings for care.

“Surgeons can now address the pathology in a setting that is appropriate for the patient’s pathology and health status,” he says. “They have the ability to undergo surgery in a safe and comfortable environment and can avoid the hospital if they’d like.”

Patients prefer the outpatient setting

Patients are becoming more aware of the risks posed by having spine surgery performed in a hospital, including the increasing rates of infection and exposure to disease. Most spine candidates are not suffering from life-threatening diseases; rather, they are looking for improved quality of life. Ambulatory surgery centers many times more accurately match the needs of patients undergoing less invasive spine procedures.

“Patients are starting to realize you only go to a hospital if you have to,” Dr. Mathews says. “You can have appropriately invasive spine procedures done in a relaxed, non-threatening, collegial setting.”

Most patients view ASCs as friendly and non-threatening, whereas larger institutions and hospital systems can create fear and apprehension.

Spine surgeons want more control

While patients benefit from the cleanliness and relaxed atmosphere of surgery centers, the implications of outpatient spine also excite surgeons. Outpatient settings, largely due to the smaller size and ownership structure, allow physicians more input and control than hospitals.

Physicians can have a say in the devices purchased and used, the center’s turnover time, personnel in the operating room and pre- and post-operative management, Dr. Mathews says.

“The turnover time in a large institution can be anywhere from one to two hours because of staffing, lack of focus and a one-size-fits-all approach,” he says. “In contrast, you often find outpatient settings to have very efficient turnover from room to room.”

Staff members working in surgery centers are often happier and more productive than some hospital staff because they do not have to work late into the evening finishing tasks that should’ve been done earlier but were delayed by inefficiencies, he says.

“Surgeons are more efficient; patients don’t have to wait as long,” he says. “Surgeons like the control of the outpatient setting versus the lack of control in an institution.”
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*Based on Paradigm Spine FDA PMA P110008. Approved October 17, 2012.*
Amy Gagliardi, Vice President, Supply Chain for Regent Surgical Health, discusses six steps to lower materials costs at ambulatory surgery centers.

1. Optimize reprocessing potential. There are some products that can be reprocessed, which has the potential to save surgery centers 50 percent on the purchase price of each item. Companies that provide reprocessing services, such as Medisiss and Stryker Ascent, must withstand a rigorous FDA clearance process to ensure their products are safe to reuse.

“When you look at the facts of what the FDA requires, the integrity of a reprocessed item faces tougher scrutiny than the original item,” says Ms. Gagliardi. “The guidelines for reprocessing an item are as strict — if not more strict — than the manufacturer's initial production specifications. You are getting an item back that is, at a minimum, twice as compliant as the original product.”

To bring reprocessed supplies into the surgery center, the ASC administrator must:

- Investigate each reprocessing company within the market and decide which is most closely aligned with the ASC's needs;
- Educate clinical staff about reprocessing and its benefits;
- Involve physician partners to gain buy-in;
- Hold a reprocessing in-service day where your company representative talks to the staff;
- Conduct an assessment of workflow to find and eliminate potential waste;
- Invite reprocessing representatives to present at your board meeting to engage physician partners in the process.

“Tout the integrity and potential cost savings to physicians,” says Ms. Gagliardi. “The beauty of reprocessing is that there is minimal work effort on the surgery centers part because we can toss everything into the bin and the reproducers will sort it out and make the decision about whether it can be reprocessed or disposed of. Even when a product is disposed of, the organization will take care of it in an environmentally sound way. We are being socially conscious, and that is a big selling point.”

2. Continuously evaluate and update GPO contracts. Continuously evaluate group purchasing organization contracts to optimize savings opportunities. Most GPO organizations have multiple tier levels, meaning the more you purchase, the more you save. As your surgery center grows and changes, make sure you are reaching the maximum tier level within your contract.

“If your ENT use was low last year but is reaching $50,000 this year, see if you can qualify for a new tier,” says Ms. Gagliardi. “At Regent we have worked with our GPO to recognize us at the right tier so we can aggregate 99 percent of all surgery centers to optimize the highest possible tier level and best possible pricing.”

When you are contracted with a GPO they must honor the savings at a set level once you reach that threshold. However, the ASC should track their bills and make sure the company is charging appropriately based on those contracted rates.

“You want materials management and the business office to make sure every item you purchase is being billed at the correct price,” says Ms. Gagliardi. “At Regent, we use a software program that tells us if something doesn't match. For example, if we place an order for $10 and the invoice comes back for $20, our software won’t allow that invoice to be paid until it is rectified. Make sure your business office and accounts payable department are working closely and intertwined with materials management.”

3. Work on a rebate for non-GPO items. There are some companies and manufacturers that don’t participate in GPO portfolios, which means you aren’t realizing savings for their products. These are usually high-dollar items, such as orthopedics and spine devices, so continually re-evaluate your spending to see if you can negotiate a better price with vendor representatives.

“Every six months you can take a look at your spend as a whole center and go back to the company to see what they can do for you,” says Ms. Gagliardi. “We have so many moving parts that we are doing this constantly. I would recommend an ASC re-evaluate these contracts annually at a minimum.”

If you aren’t able to negotiate prices you should try to negotiate a rebate program. “For X amount of dollars you spend, you will get a percentage back to lower the overall cost with rebate programs,” says Ms. Gagliardi. “We’d rather have the lower cost upfront, but if that isn’t doable it’s worth your time and effort to get the rebate.”
4. Negotiate beneficial service agreements. One of the major expenses that often goes unknown and unseen at ASCs are service agreements and Preventative Maintenance contracts. These agreements are really critical to the center’s profitability and there is typically room for negotiation, so don’t take the first price companies quote.

“The first number should be thrown out,” says Ms. Gagliardi. “I review just about every service contract in conjunction with our ASCs when we have new capital orders and I factor in a 15 percent discount on the first proposal.”

In some cases there are companies that offer one-stop shopping for service agreements and if you can negotiate with a third party to service all of your service agreements you can realize up to a 30 percent discount.” The third party company will send a single representative who can help service all equipment; this can instantly drive down cost.

“For anything from the C-arm to the video equipment there will be one specialist instead of 10 different people coming in and repairing at different levels,” says Ms. Gagliardi. “We also keep a service log of when PMs are due, and at least 90 days prior to the end of the agreement we evaluate the agreement and re-negotiate. Not every agreement ends on the same day so keeping an updated log and negotiating continually on those agreements is key.”

5. Negotiate freight savings. Surgery center administrators are beginning to find ways to save on freight costs. In some cases, administrators can negotiate with a company such as OptiFreight, which has a set price with companies like UPS and FedEx which will save up to 65 percent off inbound and outbound shipping cost.

“It requires about five hours of work on the back end from the surgery center to set up the system, but once this program is set up, the process manages itself,” says Ms. Gagliardi. These services have been around for awhile, but have only gained traction over the past few years. “The company provides online access and savings tracking with very intuitive systems,” she says. “You can continually monitor what you save and evaluate those savings on a monthly basis.”

6. Purchase less expensive commoditized implants from small companies. There are some implants and materials that are truly commodities and ASCs can purchase quality products at a reduced cost from wholesale suppliers. These companies are able to offer cost savings because they don’t place device representatives in the operating room during cases.

“The newest emerging trend, which I think will be gaining market share over the next two years, is smaller companies that have obtained FDA approval on items such as plates, screws and K-wires,” says Ms. Gagliardi. “We will be able to realize significant savings once we can work with our physicians and get them comfortable with a product that doesn’t have a big name behind it. Regent is in the process of trying these products. The key is engaging clinical staff, administration and surgeons.”

For simple cases, surgeons can train clinical staff to assist them without device company representatives, which eliminates the cost of commission. However, make sure patient safety and quality aren’t compromised with these devices.

“If we can prove this is acceptable clinically for patient safety, we can use common products from these one-off companies,” says Ms. Gagliardi. “I see that coming in the future, specifically for those centers that are fiscally minded and want to attack costs at the ASC at every level. Purchasing from one-off products can realize a 30 to 50 percent savings on implants and high cost disposables.”
OIG Issues Special Fraud Alert on Physician-Owned Distributorships

By Molly Gamble

T he HHS Office of Inspector General has issued a special fraud alert focused on specific attributes of physician-owned distributorships the agency believes “produce substantial fraud and abuse risk and pose dangers to patient safety.”

PODs are physician-owned entities that derive revenue from selling or arranging the sale of implantable medical devices, which are ordered by the entities’ physician-owners for use in procedures those physician-owners perform at their hospitals or ambulatory surgery centers.

In its alert, the OIG said it is concerned about the proliferation of PODs and views them as “inherently suspect under the antikickback statute.” The OIG also listed eight specific “suspect characteristics” of PODs or physician-owners that are likely to attract more scrutiny.

Medical Device Purchases: 3 Points on Physician Influences

By Laura Miller

D evice costs are a huge portion of surgical bills, and 60 percent of physicians say doctors have the most influence over device purchasing decisions currently, according to the “Deloitte 2013 Survey of U.S. Physicians: Physician perspectives about health care reform and the future of the medical profession.”

The respondents who feel physicians have the most influence over device purchasing thought it would stay that way for the next three to five years. Additional findings include:

1. Within the bundled payment structure, nearly 50 percent of physicians believe the most important evidence for purchasing medical technology, beyond safety and efficacy, is the “potential reduction in instances of needed care.”

2. Around 70 percent of physicians feel physician-led, peer review of new medical technologies is the leading best practice in the selection and purchase of medical technology.

3. The use of evidence-based guidelines was the second leading best practice for choosing and purchasing medical technologies.

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Here are five steps to cut supply costs in gastroenterology and endoscopy centers from Daren Smith, director of clinical services for Surgical Management Professionals.

1. **Gather data on materials used.** For most efficient inventory management, gather data on supply usage to understand how to fulfill your case volume in the future. “Knowledge is power; you have to know what your spend is and your projected case volume for the future to make purchasing decisions,” says Mr. Smith. “You have to know what you’ve used in the past and what you’ll need in the future.”

   Data is also useful during contact negotiations. “We encourage centers to do case costing and price comparing of materials used, and make sure they are using products that are on contract with their group purchasing organization,” says Mr. Smith.

2. **Don’t overstock.** Many GI-driven centers have a tendency to overstock materials to avoid shortages, but too much inventory can make an impact on the ASC’s bottom line. “We have such tight margins when it comes to GI procedures that you have very little room for error,” says Mr. Smith. “Stocking a few extra things on the shelf can make a big difference. Find the balance to make sure you aren’t damaging the bottom line by over-ordering.”

3. **Keep supplies all in one place.** Make sure nurses and ASC staff keep all the supplies in one place; there shouldn't be extra supplies in the procedure room or stashed in different nooks around the center.

   “We encourage our centers that have GI to consolidate the number of places where there are supplies so it’s easier to manage,” says Mr. Smith. “We don’t want some supplies in the OR and others in a cupboard somewhere; if you have it all in one place it’s easier to keep track of.”

4. **Contract for quick and inexpensive repairs.** Sometimes, scope repair costs are higher than supply costs. Pay equal attention to the repair contracts to avoid overpaying or long waits to receive fixed instruments.

   “There are third party vendors that tend to be cheaper than manufacturers and some have devised creative programs you can use to reduce your cost,” says Mr. Smith. “They might have a flat fee or capped programs; it’s a matter of investigating what works best for your center.”

   Centers with newer scopes are less likely to need full coverage for repairs, but centers with more aged equipment will more quickly meet the threshold that would make a capped cost program beneficial.

5. **Educate surgeons on proper handling to avoid repairs.** The best way to save on instrument repairs is not to need them at all. Educate physicians about proper handling to ensure the instruments will stay intact as long as possible.

   “Just being able to have someone come in and train your physicians on how they need to treat the scopes in order to keep them in top condition will make a difference,” says Mr. Smith. “Manufacturers or third party vendors will do that in an in-service for physicians and staff.”
4 Points on How ASCs Can Make Out-of-Network Contracting Work

By Heather Linder

Kelly Webb, MediGain vice president and general manager of the ASC Billing Division, discusses how ASCs can grow revenue through analyzing payor mix and using both out-of-network and preferred provider organization insurance contracts.

1. Why OON contracting can work. Currently, nearly 204 million Americans, or 69 percent, have healthcare coverage through a PPO, Mr. Webb says, and the numbers will continue to grow as patients increasingly want to choose their specialists. HMOs are being phased out.

“The selection of choices in PPOs is increasing,” he says, “and huge premiums are being paid by employers.”

Going OON with certain providers is becoming more of a viable option for surgery centers looking to improve payments without alienating patients. PPO benefits have been paid for by the patient and the employer and should be used for a surgery, he says.

2. How to analyze payor mix. To ascertain how successful your center’s current payor mix is, you can do a simple analysis of paid cases broken down per payor. By looking at the charges amount and number of cases, you can find the payor mix percent, average payment and percent of revenue, Mr. Webb says.

“If you are 100 percent Medicare-based or have a majority of Medicare contracts, you might want to look at changing or adjusting [that mix],” he says. “You can’t grow in the industry without the resource of more money.”

Mr. Webb recommends only agreeing to payor contracts that are not tied to a Medicare fee schedule. Medicare reimbursements will continue to go down, and ASCs would in turn also lose money on cases with commercial payors that base reimbursements on Medicare rates.

After analyzing the payor mix ASC leaders can determine how to work smarter by increasing the number of cases from the top paying insurance plans to get better revenue for the work they are already doing, he says.

“Think of ways to drive more patients from your better payors to grow your business,” he says.
3. How to explain OON to patients. Before discussing OON benefits with patients, first begin with the general benefits of having surgery at an ASC versus at a hospital. Hospitals derive revenue from many more sources than an ASC so their cost is always higher. ASCs also have lower infection rates, on-site registered nurses and on-site physicians until patient checkout.

“People want to go to the best,” Mr. Webb says. “The benefits of OON or an ASC are worth it compared to a hospital.”

He recommends having an insurance coordinator explain plan benefits and costs to patients prior to and following surgery, which will put them at ease. Print out the patient’s benefits and walk them through it.

“Do it days before,” he says. “Set their expectations so it’s not a surprise later. Have the cost spelled out to the best of your ability.”

4. Avoid insurance manipulation. Insurance pre-verification is essential to getting OON claims processed. Many insurance companies have their own policies on how and when to pay. Surgery center leaders should educate their revenue cycle personnel on what questions to ask to properly verify benefits and avoid any denials or unpaid claims. Mr. Webb highly encourages billers to ask insurance company representatives how they will determine the allowable for OON.

ASC leaders also need to be vigilant to avoid contract manipulation. For example, some contracts may only agree to pay one charge line when many procedures require multiple charges, which is unfair. Other potential issues include hidden enrollments and hidden networks.

Have a healthcare lawyer review all contracts for fair terms prior to signing, Mr. Webb says.

“Feel free to push back on the terms,” he says. “See what you are getting paid on the 4th and 5th line of the CPT charges in your area. You might be surprised how things are treated.”

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The 2% Medicare Reimbursement Reduction: Q&A on How it Impacts ASCs

Angela Talton, MBA, RHIA, CCS, CPC, CPC-H, Sr. Vice President of Coding at National Medical Billing Services, answers the most frequently asked questions about the recent Medicare reimbursement reduction and how it will affect ambulatory surgery centers.

Q: Why is the 2% reimbursement reduction taking place?

Angela Talton: The Budget Control Act of 2011 mandates caps on discretionary spending, which under current law will be lowered beginning in January 2013. This is in an effort to remove $1.2 trillion of federal government spending over the next ten years. The Budget Control Act brought conclusion to the 2011 United States debt-ceiling crisis, which had threatened to lead the United States into sovereign default on or around August 3, 2011.

Q: When does this change take effect?

The reductions in Medicare physician rates will begin with services provided on or after April 1, 2013, even though the sequestration order was issued on March 1, 2013, according to the Congressional Budget Office (CBO).

Q: Will this change only affect my office patients?

The cuts will be applied to provider payments for services administered under Medicare Hospital Insurance (Part A), Medicare Medical Insurance (Part B), contractual payments to Medicare Advantage Plans (Part C) and Medicare Prescription Drug Plans (Part D), according to the CBO. This essentially means that every provider of care across the healthcare continuum will see a reduction in reimbursement.

Q: Is this reimbursement reduction temporary?

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For information contact:
Jon Vick, President, ASCs Inc.
760-751-0250
www.ascs-inc.com
No. Reductions to Medicare will represent about 12% of the total federal spending reductions, or $9.9 billion, in part through lower payments to physicians and other health professionals for providing services.

In fact, the temporary tax cuts were scheduled to expire at the beginning of the 2013 calendar year. These included the 2001 and 2003 Bush tax cuts on income, capital gains and the estate tax, which had been extended in a 2010 tax deal under the Obama administration. Also included was a payroll tax cut that began as a result of the 2010 deal which had been most recently extended in an early 2012 tax deal.

**Q: Are there any exceptions?**

Yes. Low-income subsidies and additional subsidies for beneficiaries whose spending exceeds catastrophic levels in Part D are exempt from sequestration.

Additional questions may be directed to: Angela. Talton@nationalASCbilling.com

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100 Great Places to Work in Healthcare

By Molly Gamble, Jim McLaughlin, Heather Punke, Sabrina Rodak and Anuja Vaidya

Becker's Hospital Review and Becker's ASC Review have announced their annual list of “100 Great Places to Work in Healthcare.” The 2013 list was developed through nominations and editorial research, and the following organizations were chosen for their robust benefits, wellness initiatives, professional development opportunities and work environments that promote employee collaboration and satisfaction.

Advocate Health Care (Oak Brook, Ill.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Advocate Health Care is one of the largest employers in the Chicago metropolitan area. The 10-hospital system includes more than 30,000 employees, or “associates.” In addition to comprehensive medical benefits, a 401(k) plan, and life, auto and homeowners insurance, Advocate offers commuter benefits to cut associates’ travel expenses by up to 40 percent and provides 100-percent tuition reimbursement for programs in high-demand specialties.

Andrews Institute Ambulatory Surgery Center (Gulf Breeze, Fla.)
Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: Andrews Institute Ambulatory Surgery Center, an independent ASC on the Gulf Coast, is a joint venture with local surgeons, James Andrews, MD, and Baptist Health Care of Pensacola (Fla.). Many benefits are available, including an employer-matched 401(k) plan, professional development services, bonus plans and tuition reimbursement, through which several nurses and support staff have returned to school and earned associate’s degrees, bachelor degrees in nursing and master’s degrees.

Bailey Medical Center (Owasso, Okla.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Bailey Medical Center is committed to providing quality patient care and does so with its staff of 178 employees. It supports employees through an extensive benefits package that includes tuition reimbursement, paid extended illness leave and flexible spending accounts. The hospital offers on- and off-site educational opportunities, such as skill fairs, leadership retreats and development workshops.

Baptist Health South Florida (Coral Gables, Fla.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Baptist Health South Florida supports its more than 13,000 employees through extensive training programs, tuition assistance and comprehensive benefits. Baptist’s “Grow Our Own” initiative promotes internal talent and succession planning, and the system offers tuition reimbursement to regular part- and full-time employees. The system has been repeatedly recognized by Fortune magazine as one of its “100 Best Companies to Work For.”

Barnabas Health (West Orange, N.J.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Barnabas Health is the second-largest private employer in New Jersey with 18,200 employees, 4,600 physicians and 445 residents and interns. Of those employees, a remarkable number of them — 55 percent — have been with the system for more than 10 years. Employees have say in the system’s recruiting process, as 25 percent of new employees are hired directly from employee referrals, and Barnabas pays out more than $350,000 in bonuses to current employees for those referrals.

Baylor Health Care System (Dallas)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Baylor Health includes more than 21,000 employees across more than 300 sites of care, including 30 hospitals. In addition to comprehensive health benefits, a 401(k) plan and life insurance, full-time Baylor employees have the opportunity to earn $5,250 toward tuition reimbursement. Baylor was named one of the healthiest employers in North Texas by the Dallas Business Journal in 2012.

Bridgeport (Conn.) Hospital
Type of facility: Hospital/health system

What makes it a Great Place to Work: Bridgeport Hospital, part of the Yale-New Haven (Conn.) Health System, includes more than 2,600 employees. The 425-bed urban teaching hospital supports employees with a benefits package that includes tuition reimbursement plans and plenty of work-life balance resources. Employees who have worked at the hospital for a year can claim a tuition loan of up to $2,500 a year for up to four academic years for an eligible dependent.

The Callahan Eye Hospital Health Care Authority (Birmingham, Ala.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: The Callahan Eye Hospital Health Care, the only eye hospital in Alabama, has roughly 200 employees. The hospital is committed to employee development and has a tuition reimbursement program for employees who wish to seek higher education or certifications. There is no annual limit to the tuition reimbursement provided to each employee, and if the employee earns an A, tuition and books are reimbursed 100 percent.

Carolina's Medical Center (Charlotte, N.C.)
Type of facility: Hospital/health system
What makes it a Great Place to Work: Carolinas Medical Center offers employees a competitive benefits package, including health, dental and life insurance. The 874-bed hospital is tobacco-free and supports employees’ work-life balance through flexible scheduling options. Nursing and allied health professionals can receive up to $2,000 in relocation assistance funds when they move to the Charlotte area at their own expense.

Casa Grande (Ariz.) Regional Medical Center

Type of facility: Hospital/health system

What makes it a Great Place to Work: Casa Grande Regional Medical Center is a 177-bed hospital about 50 miles southeast of Phoenix. The hospital employs roughly 843 people and has an employee retention rate of 85 percent. Fifty-one of the employees have been with the hospital for more than 20 years and many more have worked there for at least 10 years. Beyond basic health and insurance benefits, Casa Grande offers a $200 “Better Health Incentive” to each employee and dependent annually, which can be used toward a gym membership, massage therapy, stress management or chiropractor visits.

Central Park ENT & Surgery Center

(Arlington, Texas)

Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: Central Park ENT & Surgery Center is employee-focused when it comes to health and financial benefit packages. The center pays 100 percent of its employees’ medical and vision insurance policies. Central Park ENT also contributes to employee health savings accounts and provides an on-site gym, dubbed “The Sweat Box,” for employees to use free of charge.

Chesterfield General Hospital

(Cheraw, S.C.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Chesterfield General Hospital is a small rural community hospital in northeastern South Carolina. The hospital promotes employee camaraderie off-campus by providing discount tickets for various theme parks and other attractions, as well as hosting a family picnic at a nearby state park each summer. Chesterfield General Hospital also encourages employee education through a $5,000 reimbursement in exchange for two years of work at the facility.

Children’s Healthcare of Atlanta

Type of facility: Hospital/health system

What makes it a Great Place to Work: Children’s Healthcare of Atlanta comprises three hospitals and 17 neighborhood locations. Children’s offers a range of employee benefits, as well as training and educational opportunities for professional growth. Benefits include back-up care options for employees seeking care for loved ones from infancy to old age. Children’s Healthcare of Atlanta has been named to Fortune magazine’s “100 Best Companies to Work For” for seven consecutive years.

Children’s Medical Center (Dallas)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Children’s Medical Center is the fifth largest pediatric provider in the nation and is licensed for 559 beds on its two campuses in Dallas and Plano, Texas. Along with basic health benefits, Children’s employees receive a discount on inpatient and outpatient services when their children receive care at the hospital. Additionally, Children’s pays for its employees to get to work: the hospital heavily subsidizes annual passes for buses and trains on the Dallas Area Rapid Transit system.

Cleveland Clinic

Type of facility: Hospital/health system

What makes it a Great Place to Work: Cleveland Clinic’s workforce exceeds 40,000 people around the globe. Staff physicians are salaried with one-year contracts, meaning patient volume yields no influence on their pay. This approach to compensation has earned Cleveland Clinic widespread recognition. Even president and CEO Toby Cosgrove, MD, works under a one-year contract. The system offers comprehensive healthcare coverage, pension and savings plans, life insurance and tuition reimbursement. On-site childcare is provided.

Deaconess Hospital (Evansville, Ind.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Deaconess Hospital, part of six-hospital Evansville-based Deaconess Health System, is a 365-bed teaching hospital with several “teams” that focus on employee well-being in various departments. Hospital employees have access to a gym, exercise courses and dietary classes. Deaconess Hospital emphasizes employees’ professional development and recognition, offering leadership classes year-round that are open to all employees.

Decatur County Memorial Hospital

(Greensburg, Ind.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Decatur County Memorial Hospital is a rural community hospital located roughly 50 miles southeast of Indianapolis. The hospital’s HOPE program allows staff to donate paid time off to colleagues facing extended illness or personal issues that require them to miss work for an extended period of time. To further professional development, all employees are eligible for education reimbursement as long as the degree, certification or licensure will better their career and advancement opportunities.

Doctors Hospital of Sarasota (Fla.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Doctors Hospital of Sarasota has 155 beds and is part of HCA’s West Florida division. Hospital employees receive comprehensive benefits, including pet insurance, but the hospital offers many benefits beyond the traditional. This includes complimentary monthly massages, on-site car washes and on-site drop-off and pick-up for dry cleaning. Further, Doctors Hospital of Sarasota offers catastrophic aid available to employees in need.

Duke University Health System

(Durham, N.C.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Duke offers a range of traditional benefits in addition to programs designed to support employees’ work-life balance and educational pursuits. Duke reimburses a portion of tuition for full-time employees and makes about $15,800 available in tuition grants per semester for children of eligible employees who attend Duke University. Duke employees can expect 30 to 40 days of paid time off each year, depending on how long they’ve worked at the system.

Edward White Hospital

(St. Petersburg, Fla.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Edward White Hospital is a small community hospital and part of HCA’s West Florida division. It has a “family-style” environment, where leaders’ doors remain open to all employees, including contract personnel and students. Edward White encourages professional development through its education benefits, including monetary assistance and flexible scheduling so employees can work around academic obligations.

Emergency Physicians Medical Group

(Ann Arbor, Mich.)

Type of facility: Medical group

What makes it a Great Place to Work: Emergency Physicians Medical Group is a specialty group practice with 60 employees who support more than 300 physicians, 150 mid-level providers and roughly one million patients in eight states. EPMG also promotes professional development: Clinical employees maintain expertise through continuing medical education, which EPMG supports financially and through flexible scheduling.

Endoscopy Center of Columbus

(Ga.)

Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: The Endoscopy Center of Columbus is a single-specialty ASC located roughly 100 miles southwest of Atlanta. Over 19 years, the center has grown from...
one physician and two employees to three physicians and 11 employees and continues to expand. ECC fully funds each employee's retirement and provides bonuses each quarter.

**Evansville (Ind.) Surgery Center**

**Type of facility:** Ambulatory surgery center

**What makes it a Great Place to Work:** Evansville Surgery Center was developed by a small group of local physicians in 1984. Since then, its staff has grown to more than 100 employees throughout multiple locations in southern Indiana. ESC offers staff on-site childcare, free flu vaccines for staff members and their families and complimentary access to a fitness center. Employees do not go unappreciated at ESC — the centers spend one week every summer honoring staff.

**The Everett (Wash.) Clinic.**

**Type of facility:** Group practice

**What makes it a Great Place to Work:** The Everett Clinic includes approximately 2,000 employees throughout 16 locations. The physician-owned group practice offers employees medical and dental insurance, profit-sharing, continuing education and a 401(k) plan. Fortune magazine has named The Everett Clinic to its list of “100 Best Companies to Work For” for three consecutive years, and Seattle Business Magazine twice named it the number one large company to work for in Washington state.

**Franklin (La.) Foundation Hospital**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Franklin Foundation Hospital is a 22-bed critical access hospital with 161 full- and part-time employees. Many employees have been with the facility for more than 20 years and 11 have tenures of more than 30 years. The hospital makes a contribution to everyone's retirement plan, even if the employee is not making contributions. As a result of its multiple benefit programs, employee satisfaction is in the 99th percentile, according to an engagement survey administered in May 2012.

**Fremont (Neb.) Surgical Center**

**Type of facility:** Ambulatory surgery center

**What makes it a Great Place to Work:** Fremont Surgical Center in eastern Nebraska is a physician-owned surgery center with specialties including dental, gastroenterology, orthopedics, ophthalmology, pain management and pulmonology. The center's employees participate in team-building activities at least six times a year at staff meetings. To further employee development, Fremont Surgical Center pays a set amount for each employee to continue his or her education and provides paid time off to attend classes.

**Geisinger Health (Danville, Pa.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Geisinger includes more than 17,000 employees across six hospital campuses. The system provides competitive, comprehensive benefit packages that include health, life and dental insurance. Geisinger provides up to $2,500 in tuition reimbursement for employees' work-related undergraduate or graduate courses. Geisinger employees raised more than $400,000 for United Way during a two-month donation campaign in 2012.

**Gundersen Lutheran Medical Center (La Crosse, Wis.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Gundersen Lutheran Medical Center is a 325-bed teaching hospital that includes more than 5,500 employees. Gundersen Lutheran offers employees comprehensive benefits and opportunities for career advancement. The medical center also offers a 401(k) and pension plan with employer contributions, the option of flexible schedules and on-site childcare.

**Hackensack (N.J.) University Medical Center**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** HackensackUMC includes more than 9,000 employees. The hospital offers comprehensive health benefits, 401(a) or 403(b) saving plans and tuition assistance toward hospital work-related courses. The system emphasizes employee recognition through departmental awards, monthly “Most Valuable Team Player” recognition and annual service award dinners. The hospital is Magnet-accredited by the American Nurses Credentialing Center for nursing excellence.

**Hallmark Health System (Melrose, Mass.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Hallmark Health System, the two-hospital official healthcare partner of the Boston Bruins, provides services to Boston's northern communities and includes more than 3,000 employees. Hallmark Health provides employees with auto and homeowners insurance via payroll deduction. The system regularly recognizes employees for their achievements. Each year, the system honors employees who have reached milestones in their service to the hospital. It also selects a “Team of the Month” and “Employee of the Month” to honor.

**Hastings (Neb.) Surgical Center**

**Type of facility:** Ambulatory surgery center

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What makes it a Great Place to Work: Hastings Surgical Center is a free-standing outpatient surgery center located roughly 150 miles west of Omaha and managed by Overland Park, Kan.-based Nueterra Healthcare. Team-based care delivery is emphasized at Hastings Surgical Center, and the collaboration extends to employees’ involvement in numerous community service activities throughout the year. The center’s employees also provide charity care in the community and raise awareness for various health issues on a regular basis.

**Holy Spirit Hospital (Camp Hill, Pa.)**

Type of facility: Hospital/health system

What makes it a Great Place to Work: Holy Spirit Hospital is a non-profit Catholic community hospital about 100 miles west of Philadelphia. The hospital has a history of workplace excellence: Holy Spirit has been named as one of the “Best Places to Work in PA” many times in the past — in 2003, 2004, 2009, 2010, 2011 and 2012. “Best Places to Work in PA” was overall “very satisfied” working for the hospital. In addition to generous and comprehensive health plans, Lake City Medical Center maintains an intimate community, integrity, quality, service and stewardship. Last year, employees submitted nearly 3,000 shout-outs on behalf of their peers, celebrated with “Random Acts of Gratitude Days,” which recognize employees in each department. Tuition reimbursement and scholarship programs are available as well.

**Hyde Park Surgery Center (Austin, Texas)**

Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: Hyde Park Surgery Center employees enjoy flexible schedules that allow them to continue their education. Additionally, HPSC provides complimentary required educational services and pays employees for the time it takes to complete those courses. On top of basic benefits, Hyde Park’s physician partners pay 85 percent of employee benefits, along with quarterly and Christmas bonuses. The ASC also provides matching employee 401(k) plans.

**Intermountain Healthcare (Salt Lake City)**

Type of facility: Hospital/health system

What makes it a Great Place to Work: Intermountain Healthcare is the largest private employer in Utah. The system offers generous benefit packages that, on average, represent 33 percent of an employee’s overall total compensation. In addition to medical, dental, life and disability insurance, 22-hospital Intermountain offers a range of other benefits to help support employees’ personal and professional lives. Full-time employees can earn up to 25 days of paid-time off per year starting on their first day of work.

**Kansas Heart Hospital (Wichita, Kan.)**

Type of facility: Hospital/health system

What makes it a Great Place to Work: At Kansas Heart Hospital, every manager is a “working” manager, meaning they perform administrative functions while also working “side-by-side” with employees, ensuring they are attuned with those they supervise. To promote employee development, every manager at KHH participates in leadership training at Wichita State University’s Center of Management Development on a quarterly basis. KHH also makes a tuition reimbursement program available to employees.

**KishHealth System (DeKalb and Sandwich, Ill.)**

Type of facility: Hospital/health system

What makes it a Great Place to Work: KishHealth’s 1,400 employees across four facilities enjoy a robust peer recognition system that lets them publicize coworkers’ excellent demonstration of the system’s five core values: community, integrity, quality, service and stewardship. Last year, employees submitted nearly 3,000 shout-outs on behalf of their peers, celebrated with “Random Acts of Gratitude Days,” which recognize employees in each department. Tuition reimbursement and scholarship programs are available as well.

**La Peer Health Systems (Beverly Hills, Calif.)**

Type of facility: Hospital/health system

What makes it a Great Place to Work: Host to 11 different medical specialties, the growing La Peer Health Systems maintains an intimate “family-like” atmosphere that encourages staff input and professional development, according to employee testimony. La Peer offers company-paid medical, dental and vision coverage, and provides continuing education opportunities for staff members. System-sponsored sporting events, health fairs and other activities are frequent.

**Lafayette (La.) Surgical Specialty Hospital**

Type of facility: Hospital/health system

What makes it a Great Place to Work: Retention is a strong point for nurses at physician-owned Lafayette Surgical Specialty Hospital, evidenced by its low turnover rates and an average of 16.1 years of experience. The hospital’s 190 employees can earn generous bonuses for meeting annual performance benchmarks. The hospital provides meals when caseloads are heavy. Employees can earn $100 just for being nominated as employee of the year, while the winner takes home $1,000.

**Lake City (Fla.) Medical Center**

Type of facility: Hospital/health system

What makes it a Great Place to Work: On its last employee engagement survey, 92 percent of Lake City Medical Center employees reported they were overall “very satisfied” working for the hospital. In addition to generous and comprehensive health plans, Lake City Medical Center provides 100 percent matching for employee 401(k) contributions and up to $3,000 to aid employees affected by sudden illness or disaster, such as when Tropical
Lakeview Hospital (Stillwater, Fla.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Lakeview Hospital repeatedly has been nationally recognized for patient and staff satisfaction. HCAHPS annually ranks it in the top 10 percent nationally each year for patient satisfaction, which reflects positively of Lakeview's workplace environment. The hospital offers a defined contribution and 401(k) matching program, tuition and workshop reimbursement. It will also pay up to half of staff’s travel costs for international mission trips.

Lederman Kwartowitz Orthopedic Group (West Bloomfield, Mich.)

Type of facility: Physician group

What makes it a Great Place to Work: Employees of Lederman Kwartowitz Orthopedic Group receive health and insurance benefits and retirement accounts. Fifty catered lunches are provided each year, and parties and social events are frequent. The group hires internally when possible and works hard to promote a positive and cohesive work environment, aided by high rates of patient satisfaction. Pay bonuses help cultivate employee engagement in the group’s success.

Lowell (Mass.) General Hospital

Type of facility: Hospital/health system

What makes it a Great Place to Work: Lowell General Hospital is a 217-bed facility that includes 1,488 employees. The hospital has an extensive benefits program, offering up to $2,500 in tuition reimbursement for job-related program courses or certifications per academic year. It also provides forgiveness loans for certain nursing programs. In 2012, Lowell General Hospital was named one of the best places to work by Boston Business Journal for the third time in a row.

Lurie Children’s Hospital (Chicago)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Lurie Children's Hospital offers employees the choice of three health plans, dental insurance, vision benefits, life insurance and a pension plan. To support employees’ work-life balance, the hospital provides concierge services for daily errands. The hospital, which is Magnet-accredited for nursing excellence, offers up to $5,000 for adoption assistance and tuition reimbursement. It also provides a 50 percent discount to employees’ Lurie Children's hospital charges after insurance has been applied.

Massachusetts General Hospital (Boston)

Type of facility: Hospital/health system

What makes it a Great Place to Work: One of the largest private employers in Boston, Massachusetts General Hospital is backed by more than 23,000 employees. The hospital offers comprehensive health benefits, life insurance, a cash balance retirement plan and special rates at a nearby fitness center. New full-time employees can earn up to 29 days of paid time off each year. The hospital also provides up to $2,000 in tuition reimbursement per fiscal year for degree program courses.

Mayo Clinic (Rochester, Minn.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Mayo Clinic provides care to more than 1 million patients annually and includes nearly 58,300 employees. Through training and educational programs, including tuition reimbursement, Mayo Clinic invests in employees’ personal and professional goals. Its comprehensive benefits package includes adoption reimbursement, a health promotion program and diversity networking groups. For 10 consecutive years, Mayo Clinic has been named one of the “100 Best Companies to Work For” in the nation by Fortune magazine.

MedStar Health (Columbia, Md.)

Type of facility: Hospital/health system

What makes it a Great Place to Work: MedStar Health is a non-profit regional healthcare system with a network of nine hospitals and 20 other healthcare settings. It is one of the region’s largest employers, with more than 27,000 associates. It offers its employees a total rewards package, which includes paid time off, flexible spending accounts and retirement savings through its tax deferred savings plan. MedStar Health has been named one of the best places to work by the Baltimore Business Journal and the Washington Business Journal.

Memorial Sloan-Kettering Cancer Center (New York City)

Type of facility: Hospital/health system

What makes it a Great Place to Work: In addition to its package of medical, dental, vision, disability, accidental death and life insurance, Memorial Sloan-Kettering offers a generous tuition reimbursement package, covering up to 18 credits and $10,000 per calendar year for full-time employees. The option of flexible work arrangements helps employees better balance family needs with their professional lives. The hospital also provides carpool matching services and back-up emergency child or elder care.

Mercy Medical Center (Baltimore)

Type of facility: Hospital/health system

What makes it a Great Place to Work: Mercy Medical Center is an acute-care facility and is a teaching hospital for the University of Maryland School of Medicine in Baltimore. The hospital offers its 2,412 employees an extensive benefits package that includes flexible spending accounts, continuing education opportunities and adoption assistance. The hospital offers full-time employees basic comprehensive life insurance packages and long-term disability benefits at no cost. Mercy Medical Center also offers tuition reimbursement to most full-time employees.
Meridian Health (Wall Township, N.J.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Meridian Health has consistently been rated one of the top-performing health systems in New Jersey. It includes six hospitals and more than 11,000 employees. The health system is committed to promoting from within whenever possible. It offers a flexible benefit program to employees, as well as voluntary programs designed to provide professional and personal support for work-life balance. In 2010, 2011 and 2012, Meridian Health was named one of the “100 Best Companies to Work For” in the nation by Fortune magazine.

Methodist Health System (Dallas)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Methodist Health System has earned widespread recognition for its workplace. The Dallas Business Journal named Methodist among its “Best Places to Work” for nine consecutive years. Last year, the American Heart Association awarded it platinum distinction as a Fit Friendly Company, and the American Nurses Credentialing Center called numerous Methodist hospitals “Pathways to Excellence” for their positive work environments to advance the nursing profession.

Mission Health (Asheville, N.C.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Mission Health’s 8,800 employees have access to on-campus health services and a homebuyer education program with matching employer funds, as well as discounts on apartments, cell phone service, on-site child care and tuition reimbursement. Personal health is emphasized by Mission’s wellness program, which offers cash incentives for certain healthy living choices. Other wellness services, such as massage therapy, are also made available to employees.

Mission Surgery Center (Mission Viejo, Calif.)
Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: Mission Surgery Center employees enjoy medical and prescription drug coverage with wellness program incentives, a matching 401(k) program, on-site child care and tuition reimbursement. Employees also have the option of cashing out their unused paid time off. Management aims to be highly accessible to staff and hosts frequent meetings to cultivate a collaborative and cohesive environment.

Mount Auburn Hospital (Cambridge, Mass.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Mount Auburn Hospital, a teaching hospital of Harvard Medical School, is home to more than 1,500 employees, making it one of the top five employers in the city of Cambridge. The hospital offers an extensive benefits package that includes life insurance, long-term disability insurance and even pet insurance. In 2012, the Boston Business Journal named Mount Auburn Hospital to its list of best places to work.

Mount Kisco (N.Y) Medical Group
Type of facility: Physician practice

What makes it a Great Place to Work: All full-time employees at Mount Kisco Medical Group receive two bonus checks each year, discounts on items ranging from contact lenses to plastic surgery, and the ability to share in profits. There’s a strong spirit of charity throughout the practice, with frequent contributions to the Boys and Girls Club, Toys for Tots, Operation Defending the Holidays for troops in Afghanistan, and five annual trips to Haiti, during which physicians and employees volunteer to provide charity care.

Mt. Washington Pediatric Hospital (Baltimore)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Mt. Washington Pediatric Hospital, an affiliate of the University of Maryland Medical Center and Johns Hopkins Medicine, aims to provide the best in rehabilitative and transitional pediatric care. It includes around 400 employees. The hospital offers numerous benefits, such as paid time off, a tuition assistance program, a loan forgiveness program and flexible spending accounts. It also offers free annual physical exams and discounted medical plan premiums for tobacco-free employees.

Nanticoke Health Services (Seaford, Del.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: Nanticoke Health Services drives high performance through regular employee recognition, as evidenced by its wall of fame, employee of the month initiative and a “hidden treasures” program that recognizes unsung employees. Tuition reimbursement, 403(b) matching, discounts to local businesses and a health plan with wellness program incentives are all offered to employees. Volunteerism is promot-
ed through charity drives, a speaker series and school-based service events.

**New England Baptist Hospital (Boston)**

*Type of facility:* Hospital/health system  

*What makes it a Great Place to Work:* New England Baptist Hospital, a teaching affiliate of Tufts University School of Medicine, includes a staff of more than 900 employees. It offers an extensive benefits package that includes a retirement plan, legal support and an employee assistance program. The hospital offers up to $2,500 in tuition reimbursement for full-time employees with six months of service.

**NewYork-Presbyterian Hospital (New York)**

*Type of facility:* Hospital/health system  

*What makes it a Great Place to Work:* Non-profit, 2,409-bed NewYork-Presbyterian Hospital includes 19,376 employees and 6,144 affiliated physicians. NewYork-Presbyterian’s benefits package includes educational assistance, paid vacation time and even pet insurance. From 2008 through 2011, NewYork-Presbyterian ranked as one of the top 25 companies for training and learning development by *Training Magazine.*

**Newton-Wellesley Hospital (Newton, Mass.)**

*Type of facility:* Hospital/health system  

*What makes it a Great Place to Work:* Newton-Wellesley Hospital offers a number of benefits to its approximately 2,100 employees, including prescription drug coverage, life insurance and long-term care insurance. On-site day care services are also available. In 2012, Newton-Wellesley Hospital was named one of the best places to work by the *Boston Business Journal* and one of the top places to work by *The Boston Globe.*

**Northbank Surgical Center (Salem, Ore.)**

*Type of facility:* Ambulatory surgery center  

*What makes it a Great Place to Work:* Northbank Surgical Center is one of 140 centers under the Surgical Care Affiliates umbrella. Benefit packages include health and dental plans, disability and life insurance, flexible spending accounts, college and retirement savings plans, discounts at affiliated facilities and a matching program for employees who donate to co-workers during times of hardship. Schedules are flexible to help accommodate employees’ requested time off, and quality work is rewarded with bonuses.

**NorthShore University Health System (Evanston, Ill.)**

*Type of facility:* Hospital/health system  

*What makes it a Great Place to Work:* NorthShore offers full-time employees medical, dental and life insurance. It also offers travel accident coverage, flexible spending accounts for healthcare expenses and dependent care, and alternative work arrangements. The system offers up to $5,000 in adoption assistance, pays a portion of public transportation fares and offers up to $5,000 in tuition reimbursement for eligible employees.

**Northwest Michigan Surgery Center (Traverse City, Mich.)**

*Type of facility:* Ambulatory surgery center  

*What makes it a Great Place to Work:* The 130-person staff at Northwest Michigan Surgery Center can participate in profit sharing each year and benefit from an up to 4 percent 401(k) match. Performance bonuses are granted to departments to encourage cost-cutting, and the ASC reimburses for continuing education units. Employees can accrue up to 26 days of paid time off per year, and are eligible for gym membership reimbursements and discounts to local businesses.

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North Mississippi Health Services (Tupelo)

Type of facility: Hospital/health system

What makes it a Great Place to Work: North Mississippi Health Services includes six hospitals and 30 medical clinics, serving 24 counties in north Mississippi and northwest Alabama. With more than 6,225 employees, NMHS has an annual employee retention rate of 92 percent. In 2012, the system won the Malcolm Balridge National Quality Award for performance excellence.

North Shore-Long Island Jewish Health System.

Type of facility: Hospital/health system

What makes it a Great Place to Work: North Shore-LIJ includes more than 42,000 employees, making it the largest employer on Long Island. The system offers a comprehensive healthcare benefits package; life, disability, accident and cancer insurance; and the choice of a cash balance pension plan or 403(b) retirement savings plan. Six of the system’s facilities also run weekly farmer’s markets for local residents and employees, and the American Heart Association has awarded platinum-level recognition to North Shore-LIJ as a “fit friendly” organization.

OrthoCarolina (Charlotte, S.C.)

Type of facility: Physician practice

What makes it a Great Place to Work: The Charlotte Business Journal has rated OrthoCarolina among its “Best Places to Work” twice and also as one of Charlotte’s Healthiest Employers. The practice was recognized by the American Heart Association as a platinum-level fit friendly company. The network offers benefits with wellness program incentives for part-time employees and their families, contributes up to $1,500 for family health savings accounts and makes annual 401(k) contributions.

Park Ridge Health (Hendersonville, N.C.)

Type of facility: Hospital and multi-specialty physician group

What makes it a Great Place to Work: Park Ridge Health, a 103-bed subsidiary of Rockville, Md.-based Adventist HealthCare, is selective in its hiring to ensure its 1,400 team members make good fits for PRH’s tight-knit culture. Management engages the team through quarterly town hall meetings and bi-weekly video updates. Employees can earn up to $600 annually in the company’s wellness incentive plan, made easier with the on-site fitness center and discounts to five other local facilities through payroll deduction.

Parkside Psychiatric Hospital & Clinic (Tulsa, Okla.)

Type of facility: Psychiatric inpatient hospital

What makes it a Great Place to Work: Parkside Psychiatric Hospital & Clinic’s collegial atmosphere is built through initiatives like the “By Your Side” program, which offers patients and their families emergency assistance to purchase essentials like food, clothing and school supplies through volunteer-staffed stores. Employee benefits include employer-sponsored health insurance plans, flexible health spending accounts,
employer-matched 401(k) plans and low-cost health center memberships.

**Penn State Milton S. Hershey (Pa.) Medical Center**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Penn State Milton S. Hershey Medical Center is committed to keeping its employees well, beyond offering basic health, dental and vision coverage with its wellness program, called Blueprints for Wellness. Penn State Hershey Medical Center employees — and their spouse and any dependent children, after one year of employment — can receive a 75 percent discount on tuition at Penn State University. Job-related degree programs offered at other accredited colleges are also eligible for tuition reimbursement.

**ProMedica (Toledo, Ohio)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** ProMedica's large integrated network, which serves 27 counties with 1,674 physicians and 14,305 employees, began a culture shift in 2010 dubbed “Our ProMedica.” The initiative gathered 6,000 employees’ input to craft everything from core values to management policies. Employee input is valued in organizational management, as staff suggestions to improve quality, service and processes could win them up to $10,000.

**Rhode Island Hospital (Providence)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Rhode Island Hospital was founded in 1863 and today it includes more than 7,000 employees. In addition to traditional health, dental and life insurance packages, Rhode Island Hospital employees can receive financial assistance and partial reimbursement for approved tuition costs and relocation expenses. Through the hospital’s employee fund, employees can provide grants for their colleagues who experienced catastrophic events and have limited resources.

**San Juan Regional Medical Center (Farmington, N.M.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** San Juan Regional Medical Center offers a full benefits package to employees as well as Full Engagement Training, a program that promotes employee wellness through nutrition, exercise, stress management and the development of a personal mission statement. The 250-bed hospital also supports several education programs for certification in the healthcare field.

**Sanford Health (Fargo, N.D.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Sanford Health includes more than 26,000 employees across 126 communities in eight states, making it the largest employer in North and South Dakota. The system has taken extra steps to ensure its physician workforce maintains optimal mental and physical health. Sanford began offering a physician wellness program to specifically reduce and prevent burnout, which can result in depression and fatigue.

**Schneck Medical Center (Seymour, Ind.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Schneck Medical Center has more than 800 employees as well as 150 affiliated physicians, 300 volunteers and more than 200 students. The hospital has a unique recruitment process that incorporates peer interviewing and employee input. Through this program, the hospital’s turnover rate reached the lowest it’s been in the last 20 years.

**Scripps Health (San Diego)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Scripps Health is a non-profit, integrated health system that comprises five acute-care hospital campuses with more than 13,000 employees. The health system offers employees a flexible benefits program for their individual needs. Its wellness program includes health assessments, healthy living programs, health coaching and preventive care activities. In 2013, for the sixth year in a row, the health system was named one of the “100 Best Companies to Work For” by Fortune magazine.

**Seattle Children’s Hospital**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** More than 5,000 people work at 254-bed Seattle Children’s. In addition to competitive salaries, life insurance, retirement plans and three medical plan options, the hospital provides eight paid holidays each calendar year, on-site child care, adoption assistance and discounted healthcare services for employees’ children. Seattle Children’s was named a Best Workplace for Commuters by the United States Environmental Protection Agency and Department of Transportation.

**Shore Rehabilitation Institute (Brick, N.J.)**

**Type of facility:** Rehabilitation hospital

**What makes it a Great Place to Work:** Shore Rehabilitation Institute includes 40 inpatient beds as well as outpatient rehabilitation services, backed by more than 150 employees. SRI offers a complete benefits package, including a 403(b) program. SRI employees also enjoy a generous amount of time off; at the highest earning level, employees can earn up to seven weeks of paid vacation per year and seven days of extended sick leave.

**Silver Cross Hospital (New Lenox, Ill.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Silver Cross Hospital is a health-care network including a 289-bed acute-care hospital that includes a team of more than 3,000 employees, physicians and volunteers. Silver Cross offers employees a generous benefits package, including a dependent care spending account that allows employees to pay for child care or other de-
pendent care necessary for work. In addition, the organization offers tuition reimbursement after six months of employment.

**South Nassau Communities Hospital (Oceanside, N.Y.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** South Nassau Communities Hospital has 435 beds, more than 900 physicians and 3,000 employees. Staff members who demonstrate exceptional performance related to customer service, patient safety or hospital costs are recognized by a “You Cared” from managers and supervisors as well as a movie ticket or a free meal voucher. The hospital also recognizes an “Employee of the Quarter” and an “Employee of the Year.”

**Southern Illinois GI Specialists (Carbondale)**

**Type of facility:** Physician practice

**What makes it a Great Place to Work:** Southern Illinois GI Specialists is the only physician gastroenterology practice in southern Illinois and is accredited by The Joint Commission, the American Society of Gastroenterology Endoscopists and the Intersocietal Commission for the Accreditation of Computed Tomography Laboratories. Physicians in the practice are dedicated to the community and work to serve patients in more than 20 counties. The practice participates in health fairs, Relay for Life and the Colon Cancer Awareness Walk-a-Thon.

**Southern Illinois Healthcare (Carbondale)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Southern Illinois Healthcare serves 16 counties and is backed by more than 3,000 employees. The system offers dental, life, medical and disability insurance, along with a 401(k) plan and wellness program. Southern Illinois Healthcare provides flexible scheduling options for registered nurses and a generous amount of time off to support employees’ work-life balance. The system offers loan forgiveness for employees in hard-to-fill positions, which currently includes registered nurses, physical therapists and pharmacists.

**Southern Ohio Medical Center (Portsmouth, Ohio)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Southern Ohio Medical Center has an impressive employee retention rate, as approximately 20 percent of its more than 2,000-employee workforce has worked at the hospital for more than 20 years. Southern Ohio Medical Center offers 100-percent tuition assistance for employees pursuing RN, BSN and other degrees for hard-to-fill positions. Southern Ohio Medical Center was named to Fortune magazine’s “100 Best Companies to Work For” in 2013.

**Southwestern Medical Center (Lawton, Okla.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** Southwestern Medical Center, a 199-bed hospital, supports professional development of its employees; it offers up to $5,000 annually for tuition reimbursement. In addition, the hospital works to ensure employees achieve a strong life-work balance and partners with area businesses to provide discounts to country clubs, spas and gyms. When employees have worked between 90 and 120 days, they are invited to a “mission meal” with senior leaders to discuss their orientation and any concerns.

**St. John’s Hospital (Springfield, Ill.)**

**Type of facility:** Hospital/health system

**What makes it a Great Place to Work:** With a staff of more than 3,000, St. John’s Hospital is...
one of the largest employers in the Springfield area. The 431-bed hospital was named one of the “Best Places to Work” by the Springfield Business Journal in 2013, marking the second consecutive year it received this recognition. Besides complete medical and dental benefits, the hospital offers a variety of wellness programs, including a Fit for Life program that encourages employees to exercise, eat well and maintain work-life balance.

St. Joseph’s Healthcare System (Paterson, N.J.) Type of facility: Hospital/health system

What makes it a Great Place to Work: St. Joseph’s Healthcare System has more than 5,100 employees across its facilities, including a 651-bed hospital. The health system creates an environment where people want to work: Its overall employee retention rate for 2012 is 98.3 percent, and its nurse vacancy rate is only 1 percent. In addition, St. Joseph’s Regional Medical Center in Paterson was the only recipient of the 2010 Magnet Prize for nursing innovation.

St. Jude Children’s Research Hospital (Memphis, Tenn.) Type of facility: Hospital/health system

What makes it a Great Place to Work: St. Jude Children’s Research Hospital has 7,800 patient visits on average each year. The hospital aims to support staff through a benefits program that includes the option of flexible spending accounts, tuition reimbursement and life insurance. In 2013, for the third year in a row, St. Jude Children’s Research Hospital was named to Fortune magazine’s “100 Best Companies to Work For.”

Surgery Center of Anchorage (Alaska) Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: The Surgery Center of Anchorage encourages employees to share their ideas and speak freely with leaders; the administrator maintains an open-door policy. The ASC provides a break room stocked with fresh fruit, drinks and snacks. Surgery Center of Anchorage is also involved in regular charitable giving events. Staff give back to the community by donating clothing to shelters, suture material and dressings to animal shelters and medical equipment to third-world nations.

Surgicare of Jackson (Miss.) Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: Surgicare of Jackson is a multi-specialty ASC offering orthopedic, podiatric and hand surgery, among other specialties. The facility, managed by Surgical Care Affiliates, holds team-building activities at quarterly staff meetings to create a sense of community among staff. Surgicare of Jackson also encourages management staff to attend educational meetings and plans to offer a reward if staff bring back and implement a best practice at the ASC.

Teaneck (N.J.) Surgical Center Type of facility: Ambulatory surgery center

What makes it a Great Place to Work: Teaneck Surgical Center strives to create a family-like atmosphere among employees by hosting social events such as potluck lunches, monthly birthday celebrations and yoga classes. This summer, staff participated in a Mud Run. The facility offers complimentary professional development opportunities to promote career advancement. Those offerings include in-house training, webinars, developmental classes and training days.

Texas Health Presbyterian Hospital Rockwall (Texas) Type of facility: Hospital/health system

What makes it a Great Place to Work: Texas Health Presbyterian Hospital Rockwall is a 50-bed joint venture owned by Arlington-based Texas Health Resources and physicians. A hallmark of the hospital’s culture is its open communication, achieved through departmental or committee discussions, town hall meetings and an employee newsletter. Under its Employee Wellness Program, employees who participate in health-related activities can earn points they can later redeem for complimentary items.

Texas Regional Medical Center at Sunnyvale (Texas) Type of facility: Hospital/health system

What makes it a Great Place to Work: Texas Regional Medical Center at Sunnyvale is a 70-bed acute-care, physician-owned hospital with more than 470 employees and nearly 300 physicians on staff. TRMC-Sunnyvale offers professional development opportunities, including some professional-specific certifications, and is committed to hiring from within to advance employees’ careers. The hospital was voted a Best Place to Work in 2012 by readers of Mesquite News, published by Star Community Newspapers.

Tri-City Medical Center (Oceanside, Calif.) Type of facility: Hospital/health system

What makes it a Great Place to Work: Tri-City Medical Center includes a workforce of nearly 2,300, including more than 500 affiliated physicians. The hospital encourages professional development through its Tuition Reimbursement Program, which offers employees $1,000 to $4,000 per year, and a Success Sharing Incentive Program, which offers employees an annual payment for reaching goals set by the hospital.

Twin Lakes Regional Medical Center (Leitchfield, Ky.) Type of facility: Hospital/health system

What makes it a Great Place to Work: Twin Lakes Regional Medical Center is a 75-bed community hospital serving a six-county area with a population of more than 90,000. Employees benefit from strong job security — the hospital has not reduced its workforce since the facility was built in 1951. The hospital involves the community in employee events, such as golf outings, softball tournaments and archery tournaments. Staff also participate in local charities such as Bowling for Kids’ Sake and United Way.
University Hospitals (Cleveland)
Type of facility: Hospital/health system

What makes it a Great Place to Work: University Hospitals includes more than 24,000 employees across 150 sites of care, making it the second-largest private sector employer in Cleveland. The system provides medical, dental, long-term care, life and disability insurance in addition to a retirement savings plan, back-up child care, elder care services and adoption assistance. In October 2012, UH began offering sign-on bonuses for registered nurses in specific units, designated nurse practitioners, clinical nurse specialists and physician assistants.

University of Chicago Medical Center
Type of facility: Hospital/health system

What makes it a Great Place to Work: Full-time University of Chicago Medical Center employees are entitled to 50 percent remission for courses taken at the University of Chicago or the lab school, and receive 100 percent tuition reimbursement at the nursing school of their choice. The hospital also offers a generous paid-time off package: New full-time employees receive up to three weeks paid vacation per year, plus five paid personal holidays and 10 sick days.

University of Michigan Health System (Ann Arbor)
Type of facility: Hospital/health system

What makes it a Great Place to Work: University of Michigan Health System’s more than 18,500 employees have some of the most comprehensive and protective benefits in the region. The health system offers health, dental and vision coverage, and employees can earn up to six weeks of paid time off. All system employees have access to U-M’s child care center and care services for aging parents, and the system supports employees’ well-being through various activities, including regular health screenings, cooking classes and a walking club.

West Park Hospital (Cody, Wyo.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: West Park Hospital is a 25-bed hospital with an adjacent 94-bed long-term care center and a 20-bed chemical dependency center. With more than 570 employees, the hospital is the largest employer in the county. It also has 50 medical staff members who work collaboratively with employees to deliver care. West Park Hospital also provides daycare services for employees’ children at its Seedlings Center.

West Virginia University Hospitals (Morgantown, W.V.)
Type of facility: Hospital/health system

What makes it a Great Place to Work: West Virginia University Hospitals, a 531-bed tertiary care center, is part of Morgantown-based WVU Health care, which employs nearly 6,000 people. WVU Hospitals is a designated Magnet hospital by the American Nurses Credentialing Center and offers flexible hours and generous benefits to nurses. WVU Healthcare has been named an “AARP Best Workplace for People Over 50” six times and offers an employee wellness center, on-site daycare and retirement counseling.

Winchester (Mass.) Hospital
Type of facility: Hospital/health system

What makes it a Great Place to Work: The 229-bed hospital has 2,900 employees and a medical staff of 806. The award-winning organization focuses on its employees and regularly recognizes employee achievements through a number of awards. Winchester Hospital has been named one of the best places to work in Massachusetts by the Boston Business Journal for the last 10 years. In 2011, it was also named one of the top 100 places to work by The Boston Globe.
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