

Ambulatory Surgical Centers in Florida

A Presentation to the
Commission on Healthcare and Hospital Funding

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Definitions

Ambulatory Surgery Centers (ASCs)

Modern health care facilities focused on providing outpatient surgical care, including diagnostic and preventive health care procedures.

ASCs have transformed the outpatient experience for millions of Americans by offering a convenient, personalized, lower-cost alternative to hospitals

Have a strong track record of top quality care and positive patient outcomes

ASC - Florida Definition

"Ambulatory surgical center" or "mobile surgical facility" means a facility the primary purpose of which is to provide elective surgical care, in which the patient is admitted to and discharged from such facility pursuant to **42 C.F.R. s. 416.2** within the same working day and is not permitted to stay overnight, and which is not part of a hospital.

ASC – Federal Definition

Ambulatory surgical center or ASC means any distinct entity that operates exclusively for the purpose of providing surgical services to patients not requiring hospitalization and in which the **expected duration of services would not exceed 24 hours following an admission.**

CFR: Title 42> Chapter IV> Subchapter B> Part 416> Subpart A> Section 416.2

Applicability

This outdated definition is unique to ASCs

Does not pertain to any other outpatient site of surgical service :

Office Surgery or

Hospital Outpatient Departments (HOPD)

35 STATES HAVE ENACTED 24-HOUR STAY REGULATIONS

ALABAMA
ARIZONA
CALIFORNIA
COLORADO
GEORGIA
IDAHO
ILLINOIS
INDIANA
IOWA
KANSAS
KENTUCKY
MARYLAND

MASSACHUSETTS
MICHIGAN
MINNESOTA
MISSISSIPPI
MISSOURI
MONTANA
NEBRASKA
NEVADA
NEW JERSEY
NEW YORK
NORTH CAROLINA
NORTH DAKOTA

OHIO
OKLAHOMA
OREGON
TENNESSEE
TEXAS
UTAH
VERMONT
WASHINGTON
WEST VIRGINIA
WISCONSIN
WYOMING

Does Not Provide

23 Hour Care language does not provide any changes in the way that we deliver care in ASCs.

All of these parameters would stay the same in Florida's ASCs:

- Professionals (MDs, RNs, CSTs, etc.)
- Patients (Appropriately Screened)
- Same Procedures (CMS List)
- Same Payors (Medicare & Medicaid)
- Same Price (No Additional Cost)

Does Provide

Clinical Flexibility

Improved Outcomes

Improved Patient Experience

Lower Costs

Patient

Employers

Private Insurers

Federal and State Programs

Background

Only 40 years ago, virtually all surgeries and diagnostic procedures were performed in hospitals.

Today, as a result of medical advancements and new technologies including minimally invasive surgical techniques and improved anesthesia a whole new range of procedures can be performed on an outpatient basis.

Since the first physician-led facility opened in 1970, ASCs have provided patients with a highly specialized and more affordable alternative to hospital outpatient departments (HOPDs)

Ownership Structures

Wide variety, partnership most common

Most frequently one or more of the following:

- Physicians

- Hospitals/Health Systems

- Management Companies

 - Local/National

 - ASC Only/Multi Line

Commonly Physician Leadership

- Promotes accountability, efficiency, quality

Integral and Critical Part of the Healthcare Landscape

There are more than 5,300 Medicare-certified ASCs
across all 50 states

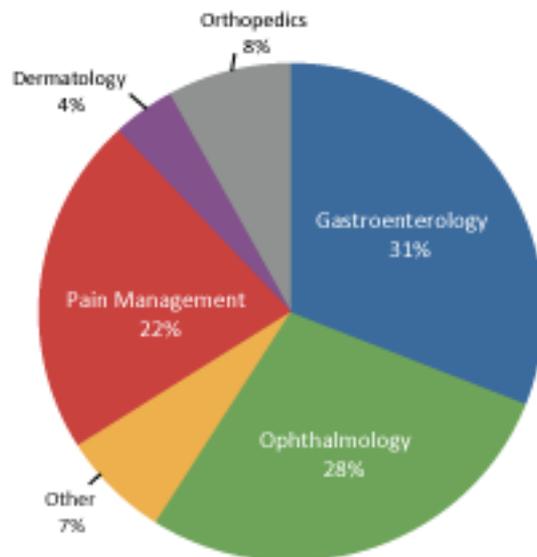
430 Ambulatory Surgical Centers (ASCs) serve patients all
across Florida.

Florida's ASCs perform over 2.4 million surgical
procedures (2014).

ASCs deliver savings to Florida and its residents.

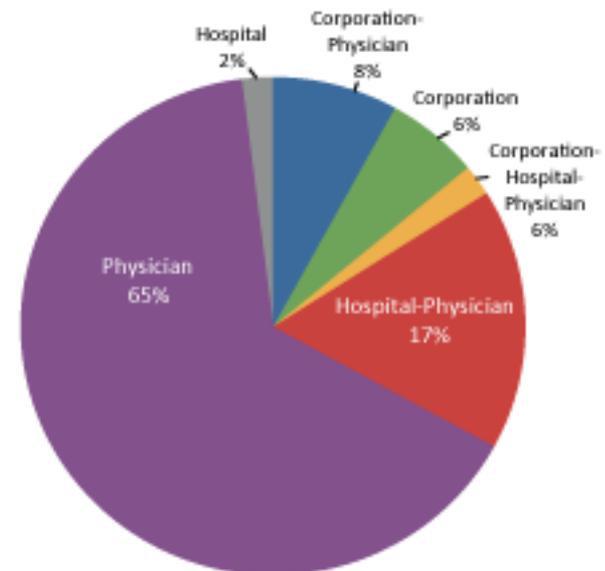
Specialty and Ownership Distributions

Medicare Case Volume by Specialty



ASCA Analysis of CMS Claims Data 2010

ASC Ownership



ASCA's 2011 ASC Employee Salary & Benefits Survey

Comparison to HOPDs

Similar range of services

Clinically equivalent

- Physicians (credentialed, privileged)

- Staff (RNs, LPNs, CSTs, PAs, AAs etc.)

- Patients (patient selection criteria

- Supplies (medications, instruments)

- Equipment (capital ,disposables)

Comparable Federal & State regulatory environment

ASC payment historically based on HOPD rates

Payment

On average, Medicare pays significantly less for procedures performed in ASCs than it pays to hospital outpatient facilities for the same procedure.

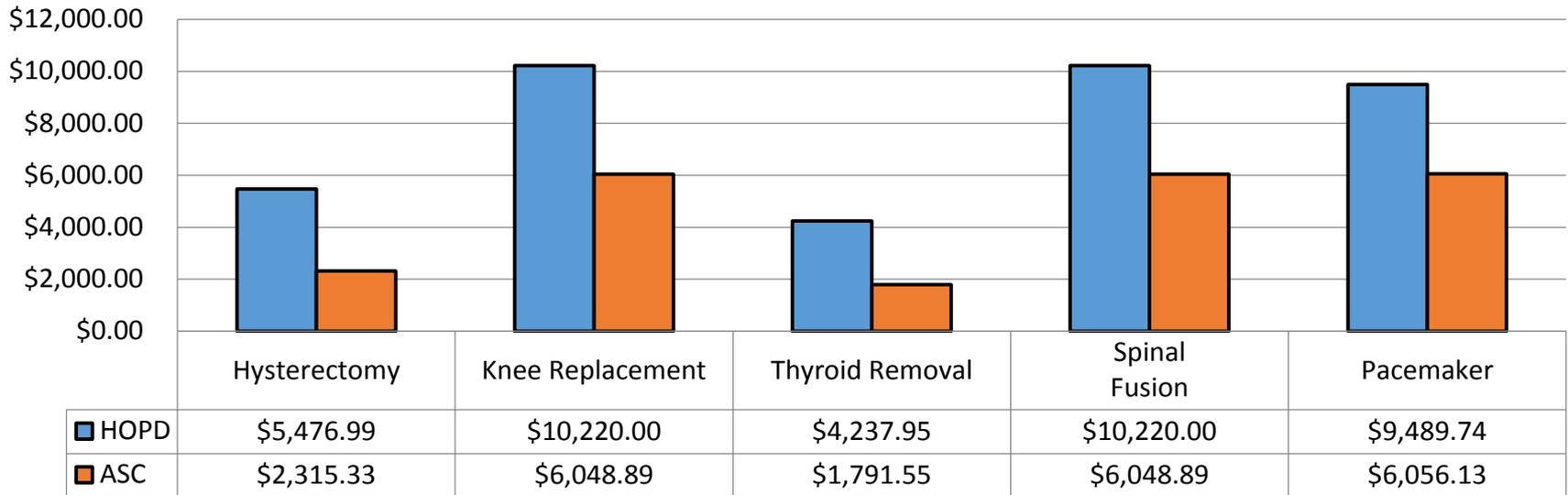
Those savings are passed on to:

Patients- lower copayments

Payers, Insurers, Employers (including Medicare and Medicaid) -lower health care spending

Cost Effective Care

Medicare Reimbursement Comparison for Surgical Procedures with 24 Hour Recovery



- Further Florida specific Information at <http://www.floridahealthfinder.gov/CompareCare/SelectChoice.aspx>.

ASC Research - Governmental

“As a result of the payment differential, Medicare saved almost \$7 billion and beneficiaries saved an additional \$2 billion during CYs 2007 through 2011. Also, Medicare and beneficiaries could save an additional \$12 billion and \$3 billion, respectively , during CYs 2012 through 2017.”

Department of Health and Human Services

Office of Inspector General

A-05-12-00020

April 2014

Estimated Federal Savings

According to a recent analysis by the University of California-Berkeley Nicholas C. Petris Center on Health Care Markets and Consumer Welfare, during the four-year period from 2008 to 2011, ASCs saved the Medicare program \$7.5 billion \$2.3 billion in 2011 alone.

The Berkeley researchers also found that ASCs have the potential to save Medicare up to \$57.6 billion more over the next decade.

ASCs Competition & Contribution

Compete with other settings and other ASCs based on quality, price and patient satisfaction

Function as small businesses in their communities and contribute to local economy

- Employers (often preferred)

- Taxpayers (no subsidies or grants)

ASCs have same liability, insurance, purchasing, payroll and other operational issues as any small business

ASCs Regulation and Oversight

All ASCs are subject to rigorous oversight and independent inspections to assess each center's level of compliance with both state and national standards.

These on-site surveys, like those conducted at hospitals and other facilities, evaluate ASCs on a wide range of demanding clinical, operational and quality standards.

ASCs Regulation and Oversight

Certification-ASCs that treat Medicare beneficiaries must meet federal government standards and demonstrate continual compliance with Medicare's standards

Licensure-State specific licensure is required by most states for ASCs to operate (e.g., ongoing inspection and reporting)

Accreditation-A high percentage of the industry obtains additional accreditation from several leading organizations, including:

- American Association for the Accreditation of Ambulatory Surgical Facilities (AAAASF)

- Accreditation Association for Ambulatory Health Care (AAAHC)

- American Osteopathic Association (AOA)

- The Joint Commission (TJC)

Patient Focus

Patient selection-Rigorous patient preoperative screening by Surgeon, Anesthesiologist, Facility

Patient Safety-Carefully controlled co morbidities, less exposure to infection, many high volume procedures

Efficiency-Rapid OR turnover times, less time waiting, pleasant atmosphere for family

Expertise-Elective procedures, limited in scope according to local facility and physician preference

Convenience-Most ASCs are freestanding, ground level facilities with onsite parking close to registration and discharge areas. Easy access.

Commitment To Quality

Quality care has been a hallmark of the ASC community since its earliest days.

While ASCs have transformed the outpatient experience for millions of Americans, they have done so with a strong track-record of quality care and positive patient outcomes.

Centers for Medicare & Medicaid Services (CMS) has established a uniform ASC quality reporting system (ASCQRP) to allow all ASCs to publicly demonstrate their performance on quality measures.

There are currently ten quality measures on which Medicare-certified facilities are required to report.

CMS ASC Quality Reporting Program Measure Sets

A SC #	Measure	Collection	Reporting	Affect	Method
1	Patient Burn	CY 2015	CY 2015	2017	G Codes
2	Patient Fall	CY 2015	CY 2015	2017	G Codes
3	Wrong Site, Side, Patient, Procedure Implant, etc.	CY 2015	CY 2015	2017	G Codes
4	Hospital Transfer/ Admission	CY 2015	CY 2015	2017	G Codes
5	Prophylactic IV Antibiotic Timing	CY 2015	CY 2015	2017	G Codes

CMS ASC
Quality Reporting Program
Measure Sets

ASC #	Measure	Collection	Reporting	Affect	Method
6	Safe Surgery Checklist	CY 2015	Jan 1-Aug 15 2016	2017	Quality Net
7	Volume Selected Procedures	CY 2015	Jan 1-Aug 15 2016	2017	Quality Net
8	Influenza Vaccination Rate	Oct 1 2014 - Mar 31 2015	Aug 15 2015 (Was May 15)	2016	NHSN

CMS ASC

Quality Reporting Program

Measure Sets

#	Measure	Collection	Reporting	Affect	Method
9	Endo/Polyp Surveillance: F/U Interval (Normal Colon; Avg. Risk Pts.)	CY 2015	Jan 1- Aug 15 2016	2017	Quality Net
10	Endo/Polyp Surveillance: Scope Interval (Pts. w/ Hx. Adenomatous Polyps)	CY 2015	Jan 1- Aug 15 2016	2017	Quality Net
11	Visual Function 90 d. S/P Cataract Surg.	CY 2015	Jan 1- Aug 15 2016	Voluntary	Quality Net
12	7 d. Hosp. Visit Rate S/P Outpatient Colonoscopy	Medicare Claims data	Medicare Claims Data	2018	Admin. Claims Based

Patient Satisfaction

Patients say they have a 92% satisfaction rate with both the care and service they receive from ASCs .*

Safe and high quality service, ease of scheduling, greater personal attention and lower costs are among the main reasons cited for the growing popularity of ASCs.

*Press-Ganey Associates, “Outpatient Pulse Report”

The ASC Industry Supports Disclosure of Pricing Information

Typically, ASCs make pricing information available to their patients in advance of surgery. The industry is eager to make price transparency a reality, not only for Medicare beneficiaries, but for all patients.

To offer maximum benefit to the consumer, these disclosures should outline the total price of the planned surgical procedure and the specific portion for which the patient would be responsible.

This will empower health care consumers as they evaluate and compare costs for the same service amongst various health care providers.

ASC Research - Academic

“...our findings suggest that ASCs provide an efficient way to meet future growth in demand for outpatient surgeries and can help fulfill the Affordable Care Act’s goals of reducing costs while improving the quality of health care delivery”

Elizabeth L. Munnich and Stephen T. Parente
Procedures Take Less Time At Ambulatory Surgery Centers,
Keeping Costs Down And Ability To Meet Demand Up
Health Affairs, 33,no.5 (2014): 764-769

Policy Considerations

Given the continued fiscal challenges posed by administering health care programs, policy makers and regulators should continue to focus on fostering innovative methods of health care delivery that offer safe, high-quality care so progressive changes in the nation's health care system can be implemented.

Support should be reserved for those policies that foster competition and promote the utilization of sites of service providing more affordable care, while always maintaining high quality and stringent safety standards.

In light of the many benefits ASCs have brought to the nation's health care system, policymakers should develop and implement payment and coverage policies that increase access to, and utilization of, ASCs.

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