# Selecting the Right Type of Surgery Center

Three options offer a choice of size and flexibility.

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hen thinking of building a surgery center, one must consider the benefits and limitations of the various options in order to make the decision that is right for one's practice. There are three possible surgery center configurations options available outside traditional hospital ORs: state-licensed ambulatory surgery centers (ASCs); Medicare-certified surgery centers; and office-based surgery centers. Although a state-liscencsed ASC is the most costly of the three types to build, if constructed properly, it can be used for any ambulatory surgical procedure and all types of anesthesia, including general. Medicare-certified surgery centers can be less expensive to construct and require less space, but their uses are more limited. Office-based surgery centers are the least expensive to build and mostly serve mostly cash-paying patients.

## STATE-LICENSED ASCs

In 1982, Medicare made the decision to reimburse surgical facilities for the expenses of services provided in ASCs. These centers gave surgeons and their patients an option for surgery outside the typical inpatient hospital OR setting. ASCs usually had faster turnover times and were more convenient for patients and their families as well as the providers due to decreased wait times, fewer restrictions, and easy scheduling. Entrepreneurial surgeons began building their own ASCs, usually close to or attached to their offices.

Although some surgery centers offer overnight stay privileges, ASCs are typically used for short surgical procedures (of less than 90 minutes) that do not require an overnight stay and allow the patient to go home shortly afterward (a recovery period of not more than 4 hours). ASCs are built to the highest standards—usually in compliance with their state's laws, Medicare certification requirements (if they are Medicare certified), and Life Safety Codes. Each state has its own requirements for the OR's size, patients' space, postoperative area, and number of recovery beds, as well as privacy, infection control, and patients' safety. Due to these architec-

tural requirements, the cost of building an ASC can be very high.

An ASC may be used for one specialty and by one physician or for multiple specialties and by multiple physicians. It can have a single or multiple owners and may be used by surgeons outside the practice who do not have ownership in the center. In some states, an ASC may be leased to other entities, so the lessee may bill a facility fee and pay rent to the ASC's owner. Also, these centers can apply to private-pay insurances and provide services to a number of patients.

An ASC can apply for accreditation from agencies such as Accreditation Association for Ambulatory Health Care (AAAHC) or Joint Commission. During the accreditation application process or once accredited, the ASC can apply for *deemed status*, which can eliminate the need for a separate Medicare survey.

Some states require a Certificate of Need from the ASC, which demonstrates the need for the surgery center and the services that it will provide to the community. This certificate must be obtained prior to an ASC's construction. Thirty-six states require some form of Certificate of Need for healthcare facilities.

# MEDICARE-CERTIFIED SURGERY CENTERS

Medicare-certified surgery centers may be used by one or multiple surgeons, but these physicians must belong to the practice that owns the surgery center. These centers typically do not have to conform to all of the guidelines for statelicensed ASCs, and some of the requirements for the number and size of the rooms are less rigid. Medicare-certified surgery centers comply with Life Safety Codes and requirements for infection control, patients' safety, and patient flow (having a separate entrance and exit). These centers are often attached to the physician's/ owner's clinical practice. They must have separate waiting rooms so that clinical and surgical patients do not mix.

Once approved, Medicare-certified surgery centers can provide services to patients with Medicare and other private insurances as per their individual agreements. Some private-

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pay insurances and managed-care contracts may not contract with these centers in areas where state-licensed ASCs are available. Finally, Medicare-certified surgery centers can apply for AAAHC or Joint Commission accreditation.

### OFFICE-BASED SURGERY CENTERS

Office-based surgery centers have been used by plastic, cosmetic, and oral surgeons for many years. In recent years, an increased focus on patients' safety and risk management has caused more and more office-based surgery centers to seek accreditation from agencies such as the AAAHC or Joint Commission to indicate that they have met a certain standard of competency and excellence.

Office-based surgery centers are usually built within a surgeon's office or in close proximity to it. Accredited office-based surgery centers may be used by up to four surgeons who work within the same practice. These centers may be used for cash-paying patients. If the center is accredited, most insurance companies will allow the provider to bill for the surgeon's portion of the surgery but not for the facility fee.

Office-based surgery centers may be constructed in less space than what is required for a state-licensed ASC or a Medicare-certified surgery center, but they must still meet standards on infection control, patients' safety, and privacy as well as quality improvement. Some states and medical boards have specifications as to the type of surgeries that may be performed in an office-based surgery center, as well as on the type of anesthesia that may be used and who may deliver it.

Unlike Medicare-certified and state-licensed ASCs, office-based surgery centers (built within a physician's practice) seeking accreditation need to comply with the accreditation standards for their entire office and not just the surgery center. The accreditation process and the preparation for the accreditation survey require a significant commitment on the part of the physician and staff.

# CONCLUSION

State-licensed ASCs, Medicare-certified surgery centers, and office-based surgery centers all have unique advantages and disadvantages. In order for physicians to choose the type that is right for them and their practices, they must consider all the options. Doing one's homework and seeking the advice of experts can be of great benefit in this endeavor.

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