

# What We Learned From Opening an ASC

Guidelines for owning a successful ambulatory surgery center.

BY ROBERT B. NELSON, PA-C, AND DAVID B. NELSON, MD

David B. Nelson, MD, and I (no relation) have worked our entire medical careers in the surgical arena. We both have more than 35 years of experience in various OR settings. From our early days, we both migrated toward the ambulatory surgery center (ASC) setting, because we feel it is the singularly best environment for performing complex ophthalmic surgery. In 2012, more ophthalmic surgery will be performed on an outpatient versus inpatient setting. Virtually all cataract surgery currently performed in the United States occurs in an ASC. Ophthalmic ASCs were among the first types to appear, and they have become the blueprint for success to which other ASCs aspire. This blueprint is characterized by efficiency, a high level of satisfaction among patients, and excellent clinical outcomes.

Developing an ophthalmic ASC is not without its trials, tribulations, and challenges. Ownership is never an easy undertaking or without risk. It has many advantages, however, not the least of which is a possible supplemental income and efficiencies that improve the surgeons' quality of life, both personally and professionally. In recent years, the process of building and operating an ASC has become much more onerous and complicated, requiring a steady hand on the tiller and an alert ear toward the Centers for Medicare & Medicaid Services in Washington, DC, and state Health Departments. Here is our advice for success.

## No. 1. HIRE THOSE EXPERIENCED IN HOSPITAL CONSTRUCTION

The nuances of building an ASC are closely related to hospital construction. Only hire an architect and contractors

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experienced with health care construction who are familiar with federal, state, and local codes.

## No. 2. DO NOT SKIMP ON THE FACILITY'S SIZE

The ORs need to be adequately sized. To maintain a busy ASC, however, all of the supporting areas—receiving, central supply, storage, waiting rooms, and the pre- and postoperative areas—also need to handle the anticipated maximum volume of cases.

## No. 3. PAY FOR QUALITY SYSTEMS

Invest in quality electrical, heating, ventilation, and air conditioning systems. If you are stingy about these essentials, you will pay more later when surveyors identify the shortcuts. Likewise, choosing a heating, ventilation, and air conditioning system that is robust enough to provide an easily controlled environment that satisfies many surgeons' various requirements will save you heartache in the future.

## No. 4. HIRE AN EXPERIENCED ADMINISTRATOR

Hire an administrator with extensive experience managing ASCs. Running one of these facilities is very

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No

different than managing a hospital. The administrator has many tasks. He or she must manage the staff; interact with legal and accounting professionals; deal with the Centers for Medicare & Medicaid Services' conditions for coverage; oversee budgets, staffing, and benchmarking; run meetings; and most importantly, manage the expectations of multiple partners with differing agendas. If faced with the choice between hiring an individual with multiple degrees in finance and business and prior hospital experience or a candidate with years of progressive ASC management experience and a clinical degree (PA or RN), we strongly suggest choosing the latter. This individual will fully understand the environment.

Hire people who are smarter than you and listen to their advice! With the right person in the role of the administrator, there will be no need to micromanage his or her decisions.

### No. 5. ALWAYS USE MORE THAN ONE VENDOR

Do not get too comfortable with a single vendor of any product or supply. Competition works to your advantage.

### No. 6. CATER TO THE SURGEONS WHO ARE NOT PARTNERS

Partner surgeons should always acquiesce to surgeons who are guests supporting the center. In most cases, non-partners have options as to where they bring their cases. High-volume surgeons are few and far between. Lower-volume surgeons contribute to the bottom line as well. Within reason, give all surgeons the schedule and tools they need to be comfortable at your facility and remind your staff that the nonpartners are your valuable guests. Consider offering an equity opportunity to select surgeons and clearly define in the operating/partnership agreement what the retirement and buy-out provisions are. When a surgeon says that he or she will bring 500 cases to the

ASC, reduce that by 50%. All surgeons overstate their case volume.

### No. 7. BE COMPETITIVE

In order to recruit and retain a superior staff, you must offer salaries and benefits that are comparable with those offered by the local hospitals.

### No. 8. CUT YOUR LOSSES

Abandon unprofitable services and be open to incorporating new services when they become more profitable (eg, retinal surgery).

### No. 9. OFFER EDUCATION

Work with the manufacturers of equipment to offer educational opportunities to your surgeons and staff. Budgets are not what they used to be, but most manufacturers, if asked, will work with you to provide seminars and speakers for your professional staff's development, especially as it pertains to their products, equipment, and devices. Cosponsoring these events will demonstrate to your physicians that you are committed to educating them on new techniques and technologies.

### No. 10. GET PROFESSIONALLY INVOLVED

Join industry organizations such as the Outpatient Ophthalmic Surgery Society. The ASC Association and state ASC Associations are your advocates. They bring significant value to ASC owners and management, because these organizations know what is happening in Washington, DC, and at the state level. The Outpatient Ophthalmic Surgery Society in particular is an ophthalmic-specific ASC organization that all owners of ophthalmic ASCs should join and support. The meetings and membership benefits are focused on ophthalmology.

### CONCLUSION

Building and owning an ophthalmic ASC is a complex undertaking. A successful facility requires leadership from its owners, an ASC-experienced managerial and surgical staff, a focus on quality, and a commitment to treating nonowner surgeons who have elected to support the center like royalty. ■

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