

TIPS FOR BUILDING AN ASC FROM THE GROUND UP



A comprehensive guide to navigating the complex journey of ambulatory surgery center establishment.

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A new business venture is a demanding and complex process. This is especially true of the establishment of an ambulatory surgery center (ASC) because it requires adherence to various regulations, certifications, and compliance matters before the facility becomes fully operational. The rewards of owning and managing a successful ASC, however, can be well worth the work.

So, where do you start? There are several key steps required for the successful construction and operation of an ophthalmic ASC. Each requires careful planning and often collaboration with experienced professionals. This article explores the process and shares best practices for success.

FEASIBILITY STUDY

Start with a comprehensive feasibility study and market analysis. This will allow you to gauge whether your case volume and intended operational area can sustain a new ophthalmic ASC.

Hire a professional business consultant to perform the study and ensure all relevant factors are considered. The accuracy of the information provided is crucial. One of the primary causes of ophthalmic ASC failure is incomplete or inaccurate data supplied during this initial phase. Be honest about your case volume because it will lay the groundwork for a robust, data-driven analysis that can guide your way forward.

Should your state require a certificate of need, consider consulting a legal professional experienced in the field to determine the likelihood of its being awarded.

FINANCING

Assuming the feasibility study supports building an ASC, you will need to obtain a loan to finance the undertaking. Various lenders and loan types are available to support the different stages of your project.

Regardless of the lender or type of loan, negotiating favorable terms is crucial. Leverage the data from your feasibility study to support your loan application. If possible, consider collaborating with a lender that has a history of funding ASC projects.

SITE SELECTION AND DESIGN

Once the necessary capital has been secured, select an optimal location for building. Hire an architect with experience in designing ASCs. Those whose experience is limited to medical office buildings may not be the best fit because ASCs have specific and unique design requirements.

A proven track record in ASC design is a must. Also, ensure that the design includes ample parking and plans for future growth.

CONSTRUCTION AND PERMITTING

Once the design has been finalized and a location chosen, the next step

is to select a general contractor with proven experience in constructing ASCs. This choice ensures compliance with all applicable state and local regulations. If you are aiming for a Medicare-certified facility, adherence to the Life Safety Code is crucial. Choosing a contractor without prior ASC construction experience could result in significant oversights, costly delays, and change orders.

Most importantly, resist the temptation to splurge or overbuild, which will increase your already substantial fixed operating costs. Wise decisions about materials and furnishings that align with your project budget can help keep costs manageable.

PROCURING EQUIPMENT AND SUPPLIES

Before investing in equipment, it is crucial to define your needs. Consider the range of ophthalmic services that your practice will offer. For instance, will your practice require facilities for administering general anesthesia? Consider the type of surgical lighting your practice will need. Will it be mounted to the ceiling, or would a stand be more suitable?

After establishing what services will be offered, compile a comprehensive list of all required equipment and supplies. To procure these at optimal pricing, consider collaborating with a group purchasing organization to assist in providing cost-effective solutions. Explore various brands by arranging equipment demonstrations. Not only

PATIENCE

Setting up an ambulatory surgery center (ASC) is both time-consuming and complex. Expect the process to span 18 months or longer from start to finish. Patience is crucial.

NETWORKING AND RESOURCES

- ▶ **Ambulatory Surgery Center Association.** This group provides excellent networking opportunities and educational materials for ASC operations.
- ▶ **Ophthalmic Outpatient Surgery Society.** This organization offers another forum for connecting and learning.
- ▶ **Accreditation Association for Ambulatory Health Care.** This organization offers resources on maintaining the standards of ambulatory care.

PEER SUPPORT

Engage with colleagues who run their own ASCs. Their experiences can provide invaluable insight. Consider visiting facilities (with permission) to gain firsthand perspective on ASC establishment.

can this facilitate a comprehensive understanding of the available options, but it can also help you make an informed decision that aligns with the project budget. Be sure to determine the lead times for items that will require installation during the construction phase to avoid unnecessary delays.

STAFFING

In the competitive field of health care, hiring the right staff can be challenging. Embrace the power of digital platforms such as LinkedIn and Indeed to post job openings but don't rely solely on applications. Actively seek potential candidates and engage them through these channels. Ensure the practice's salaries and benefits are competitive for your area. During interviews, describe your ASC's culture, values, and working environment because candidates may value these factors as much as the salary and benefits.

In your recruitment process, prioritize hiring a competent lead nurse. This person takes on the managerial role in your business and supervises the day-to-day operations of the ASC. A good nurse director helps the business run smoothly, allowing you to focus on patient care. Finding a nurse director with ASC management experience may be difficult, so consider candidates with not only exceptional clinical skills but also the business acumen needed to run an efficient facility.

REGULATORY COMPLIANCE AND CONTRACTING

Before your ASC becomes operational, it must comply with state, local, and CMS regulations. Contact your state's health agency during the construction phase to determine the requirements.

If you intend to enroll with Medicare and negotiate contracts with other third-party payers, consider working with an accreditation organization. The preparations for state licensing and deemed status surveys—for Medicare certification and accreditation—often take several months and can be executed in coordination with the construction phase.

OPERATIONS AND MANAGEMENT

Managing daily operations alongside clinical activities can be challenging. Establish a management plan early that identifies the organizational structure and financial activities.

Like the clinical policies and procedures needed for compliance, the business plan should incorporate all company policies and procedures dealing with everything from billing to financial reporting.

FINAL THOUGHT

Constructing an ASC requires more than what is described in this article. Although it is feasible to tackle the challenge independently, you may want to consider hiring experienced ASC consultants to guide you

through the process and address the how-tos of each step. They often have established connections with financial institutions, builders, architects, and others who have experience in ASC development. Moreover, ASC consultants can offer a detailed road map of the process to ensure each step is executed properly.

Regardless of whether you choose to go it alone or seek expert assistance, building an ASC from the ground up is challenging (see *Additional Insights for ASC Establishment*). If you are thorough and take the time needed, however, the result can be immensely rewarding. ■

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