

The Complex Case Conundrum

With more complicated cases moving off the CMS inpatient-only case list, should ASCs add these procedures to their mix?

BY LINDSAY MCQUEENEY HANRAHAN



Thanks to advances in technology, many historically complex orthopedic and spine procedures have become much less invasive. As a result, many of these cases are now well-suited for outpatient environments, especially ASCs, which have a strong track record of affordable, quality care and positive patient outcomes. An accumulation of data now exists that shows top-quality outcomes, high patient satisfaction levels and substantial cost savings when total joint replacement procedures are performed in ASCs.

With data in hand, the ASC industry has been pushing for more complex cases to come off the Centers for Medicare & Medicaid Services (CMS) inpatient-only case list. On November 2, 2016, CMS released its 2017 final rule, which includes the removal of seven procedures from the inpatient-only list. Their removal from that list represents significant progress for the ASC industry. CMS also is considering recommendations from the US Department of Health and Human Services' (HHS) advisory panel on the possible removal of total knee arthroplasty from CMS' inpatient-only list.

Making the Case

Populations are changing. People are staying healthy and active longer. They also are more willing to pursue a complex procedure at a younger age due to the less invasive nature of the procedure. These population changes, coupled with advances in technology that have made proce-



dures shorter, less invasive and less risky, mean there are fewer reasons to keep these cases on the "hospital-only" list.

Since ASCs continue to be reimbursed at a lower rate, there also are significant financial benefits associated with performing historically inpatient-only cases in ASCs. ASCs in the US save commercial insurers and their beneficiaries more than \$38 billion per year, according to a Healthcare Bluebook study that used data supplied by HealthStream. Allowing total knee and total hip replacements to be performed at ASCs could result in an additional savings of \$3.2 billion to private payers and their patients, according that study.

ASC Considerations

The benefits of adding these new procedures to an ASC's case list are plenty. Because these procedures are highly valued, they have the potential to bring in additional revenue. Furthermore, the procedures provide an opportunity for ASCs to become leaders in their communities by offering more complex services.

As new procedures are removed from the Medicare inpatient-only list, ASCs around the country are likely contemplating adding them to their case list. While there are some real benefits associated with taking on these traditionally complex procedures, they are not right for every center. It is a center-specific decision that

The advice and opinions expressed in this column are those of the author's and do not represent official Ambulatory Surgery Center Association policy or opinion.

requires careful consideration. Some of the considerations ASCs should make include:

Are your surgeons on board? Strong physician support and involvement is essential. Their involvement in making the case for your facility will be important in building and executing your plan and in demonstrating readiness to payers, patients and your community.

What payer requirements do you need to meet? Payers typically have established criteria providers must meet to qualify for reimbursement for these procedures. Review and prioritize your payer mix, and assess the requirements of the largest payers. If your facility does not already have the required accreditation, it needs to be factored into your planning. Requirements per payer might vary, so it is important to understand where you have the most work to do for your payers and identify dependencies, costs and timelines.

Do you have a system or plan in place for data collection? As previously mentioned, evaluating a decision on these complex procedures, meeting payer requirements and negotiating contracts requires that a facility can provide data on its historical case and surgeon performance and outcomes data. This demonstrates that your ASC has historically achieved positive results and that an infrastructure is in place to facilitate continued positive outcomes as you take on more of these complex procedures. Technology plays a vital role in recording this information and pulling necessary analytics. The ability to track results also ensures your facility's payments are maximized as the industry moves toward value-based care.

What is your potential patient population? Adding complex procedures to your case list is a big undertaking that requires capital investments to get up and running. Consider the patient pop-



“While it is becoming more common for complex cases to be performed in outpatient facilities, doing so requires significant preparation and investment of time and capital.”

—Lindsay McQueeney Hanrahan
SourceMed

ulation within your reach, as well as current and emerging competition, to ensure there is enough demand.

Does your facility have enough space? Because these cases are longer than more common ASC procedures (i.e., a torn rotator cuff repair or cataract removal), they require more time in recovery. Patients are up and start to move around within a few hours of surgery, therefore, additional space is needed for a safe and comfortable recovery, ambulation and meeting with physical therapists. If space is limited, you need to decide if this initiative is critical enough to your facility's long-term strategy to consider expansion or relocation.

What relationships do you need to expand with other providers in the community? Outpatient care providers, like physical therapists and skilled nursing facilities, play a key role in helping patients recover from these procedures, which is essential to achieving positive outcomes.

It is important to develop relationships with other care providers within the community so that physical therapy can begin at your facility, and that there is a smooth transition of care to a skilled nursing facility, in-home care and/or recurring physical therapy.

How will you screen patients? Procedures that are more complex also involve more risk given their increased duration and anesthesia and pain management requirements, therefore, require more rigorous screening. Patient engagement technology that allows patients to log into a secure system and complete their medical histories at a time that is convenient for them helps yield more accurate results and saves staff time. Customizable screening tools can help in assessing each patient for comorbidities and risks such as Deep Vein Thrombosis (DVT), sleep apnea and fall risks in advance of a procedure. Systems with red flag alerts can help your staff to ensure no issues are overlooked.

While it is becoming more common for complex cases to be performed in outpatient facilities, doing so requires significant preparation and investment of time and capital. It is important to do the work needed to understand what is involved and whether adding these cases to your case mix aligns with your facility's long-term strategy before bringing these cases into your ASC.

Networking with other ASCs that have already begun performing these cases is essential to this process. By sharing information and learning from each other, preparing for and expanding into new procedures, techniques and technologies will ensure continued growth of the ASC industry and the patients it serves. <<

Lindsay McQueeney Hanrahan is the vice president of product management at SourceMed, headquartered in Birmingham, Alabama. Write her at lindsay.hanrahan@sourcemed.net.