State of the Industry Report: Best Practices & Proven Data for Optimizing ASC Operations

45+ chapters of thoughtfully curated industry research, first-hand experiences, and insightful data.

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HST Pathways

Introduction

The surgery center industry holds a unique and pivotal place in the overall healthcare landscape, offering top-notch, cost-effective, patient-centered care in a controlled and safe environment.

However, **leading surgery centers understand that the tides are turning**, making it harder to operate a successful ASC. Those who embrace the undeniable shift will be the ones who remain on top.

We are in an era where data-driven precision operations are the only option. **Using data to inform your work and being surgically precise in how you operate is critical to thrive.**

This 2023 report has been compiled from industry experts and HST's unique data to help you:

• Learn about best practices
• See key process steps for major operational areas
• See data benchmarks so that you can compare your performance against others

We hope you find this helpful, and please feel free to reach out if you have any questions.

HST Pathways

Patient Journey
Pre-Day of Service

1. Patient Begins to Research Surgery Center

2. Doctor's Office Communicates with ASC to Schedule the Case

3. Doctor's Office Verifies Insurance Eligibility and Prior Authorization

4. Manage Case Until Date of Service

5. Review Case for Profitability and Implants

6. Send Pre-Assessment Form to Patient

7. Generate & Send Patient Estimate to Patient Prior to Date-of-Service

8. Communicate Appointment Reminders & Pre-Op Instructions via Text

9. Pull Supplies from Supply Room the Day Before

Patient Begins to Research Surgery Center

HST Pathways

Best Practices

When a patient learns they will need surgery, a million questions start racing through their mind. To get answers to those questions, they will begin researching – both online and offline – about the surgery center and what they can expect. To put their mind at ease and start their experience with you off on the right foot, they need to be able to find answers to all their questions on your website.

A website that is built correctly will cover the spectrum of the most common patient questions: How much will my procedure cost? What is the parking situation? Will my family be able to stay? How can I fill out the necessary paperwork? And so on. Your website should also allow patients to generate a financial estimate to see exactly what they will owe without proactively contacting you or, even worse, waiting for you to call them.

Covering these topics on your website will build patient trust, reduce redundant patient phone calls, and improve the overall patient experience.

Key Process Steps

1. Research and find a trustworthy, experienced third-party consultant or agency to guide you through the process.

2. Together, perform a comprehensive audit of your existing website to identify your shortcomings (design, copy, imagery, etc.) and what changes you can make to improve the patient experience.

3. During the process, make sure to focus on a patient-centric design that caters to your patients and their family's experience.

4. Identify opportunities for interaction: price transparency calculators, informational videos on what to expect, driving and parking directions, pre-assessment forms, and more.

5. Optimize your website for performance, keeping in mind the mobile experience as most patients will visit your website on the phones.

6. Test out your new website & launch.

Key Performance Indicators

1. Monthly website visitors
2. Website traffic referral sources
3. Monthly page views of your price transparency calculator
4. % of patients who scheduled surgery after generating a financial estimate

Benchmarking Data

Here's how an online calculator directly translated into increased case volume and revenue for a four OR, multi-speciality facility in Greenville, SC.

80 + Estimates Generated Per Month

10% Converted into Schedule Patients

Source: HST Pathways

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Best Practices

The more harmonious and seamless communication is between the doctor's office and the surgery center, the easier it will be to drive case volume effectively.

As a best practice, you do not want to communicate with a doctor's office via phone or fax. These antiquated workflows consume precious staff time, typically end with phone tag, and cause countless hurdles. Alternatively, your surgery center should use technology that allows you to broadcast your OR availability to all your physician offices. Providing your partners with 24/7 access to your OR availability will make the process incredibly simple for them to electronically submit a request for a specific operating room on a particular date and time. Your team can then review the request and either confirm or provide a suggestion.

Key Process Steps

1. The doctor's office submits a request online for a specific date & time.

2. The surgery center receives an alert that a request has been made.

3. The surgery center reviews the request and confirms or suggests a change if necessary.

Key Performance Indicators

1. Time spent scheduling per case

2. OR utilization per physician

3. OR downtime

Benchmarking Data

On average, 42.2% of scheduled OR time is unused.
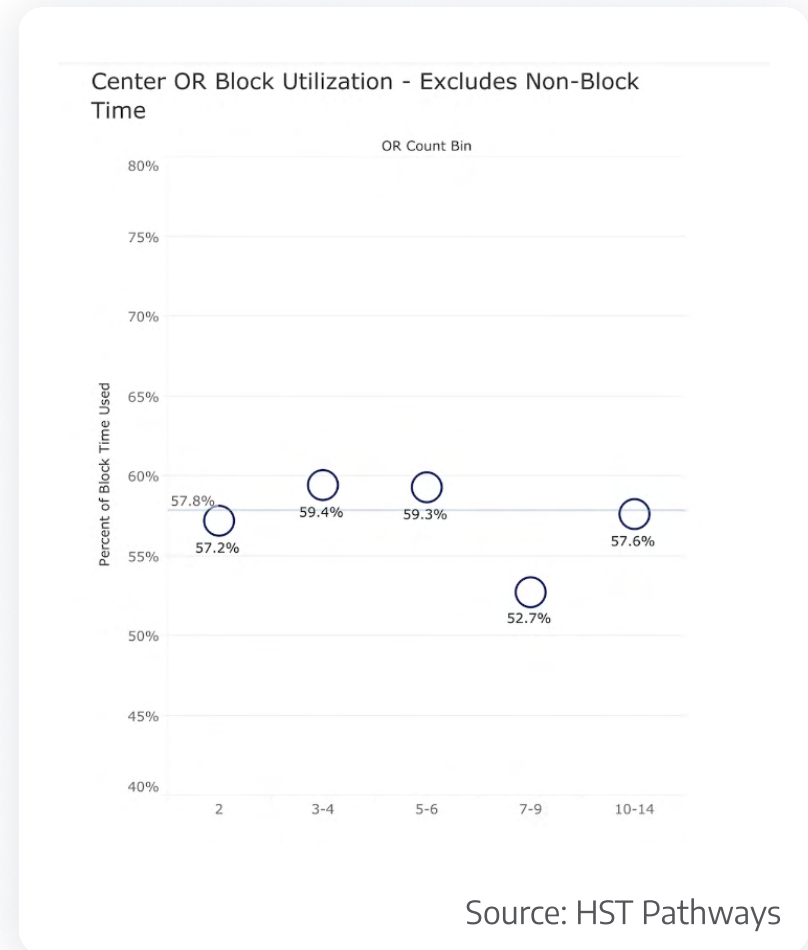
Center OR Block Utilization - Excludes Non-Block Time

Source: HST Pathways

HST Pathways

Best Practices

Verifying insurance eligibility and obtaining prior authorization are critical steps in ensuring seamless patient care and preventing potential financial issues.

The doctor's office should verify insurance eligibility first to confirm whether the patient's insurance is active and covers the proposed procedure. Even after the doctor's office completes this crucial step, your surgery center needs to re-run verification at least twice – the first time should be immediately after accepting the case, and the second time should be the morning of the procedure. You should also get into the routine of re-running verification on the first of the month for the current month's cases to ensure coverage has not lapsed. Integrated payer technology must be used to verify coverage so that team members do not spend unnecessary hours on the phone with payers.

Insurance companies often require prior authorization for certain medical procedures. Obtaining prior authorization prevents denials and delays in reimbursement and ensures that the insurance company has approved coverage before the patient undergoes treatment. Your surgery center must verify any prior authorization obtained by the doctor's office so you can mitigate the risk of performing a procedure that you will not be reimbursed for.

Key Process Steps

1. The doctor's office verifies insurance eligibility.

2. The doctor's office obtains the necessary prior authorization (if applicable).

3. The doctor's office communicates insurance verification & prior authorization to surgery center via software integration.

4. The surgery center re-runs insurance eligibility upon receipt and contacts the payer to obtain their own prior authorization.

5. The surgery center re-runs insurance eligibility the morning of the procedure to ensure the patient's insurance has not lapsed.
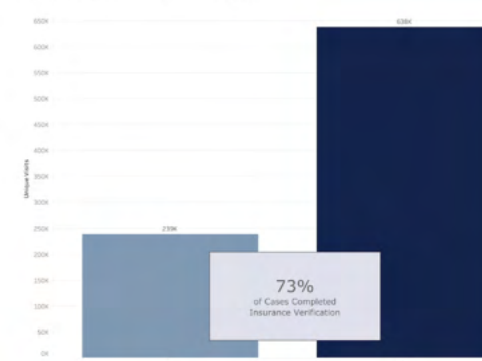
Key Performance Indicators

1. Time spent per verification

2. Pre-authorization rate

3. # of procedures performed without necessary prior authorization

Benchmarking Data
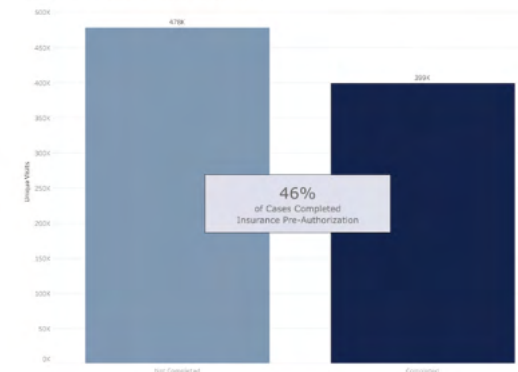
Source: HST Pathways

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Best Practices

After a case is scheduled, it's important to maintain contact with the patient, physician, and vendors to ensure the case stays on track. In the rare instance the case needs to be canceled or rescheduled, you can reach that conclusion with as much lead time as possible.

The key to seamlessly managing a case is centralized management. Using technology, you can oversee each surgical case from start to finish in one location accessible by the entire care team. Your front office staff, surgeon, anesthesia group, supply coordinator, and other vendors should all have access to this centralized location so they can provide updates, discuss any special requirements, share patient considerations, and ultimately prevent last-minute cancellations and potential delays.

Proactive and effective patient communication will also help ensure the cancellation or rescheduling is not initiated from the patient's side.

Key Process Steps

1. Create case in centralized case management location.

2. Provide access to the case to the entire care team (internal staff and external vendors).

3. Share pertinent updates leading up to the date of service.

Key Performance Indicators

1. Case cancellation

2. Case reschedules

3. No shows

Benchmarking Data

ASCs are experiencing, on average, a 20% case cancellation rate.

Case Cancellation Rate
Includes Participating Centers with Complete Data; Q1 & Q2 2023

20% of Scheduled Cases Cancelled

362,891

73,743

Source: HST Pathways

Review Case for Profitability & Implants

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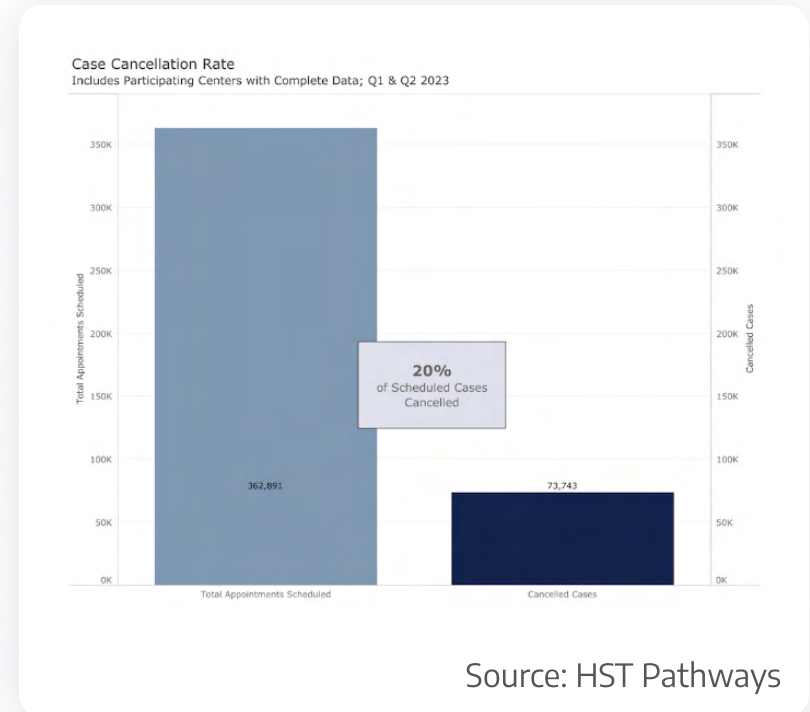
Best Practices

Before proceeding with any case, surgery center administrators must understand how much the center will profit (or lose) from the procedure. Surgeries are complex events – payer contracts are complicated, overhead needs to be accounted for, and costs vary significantly by procedure, especially when implants are involved. Analyzing case profitability well in advance of the date of service ensures that the center can continue to provide high-quality services without compromising financial health and that no one is blindsided after it's too late.

While staff experience and custom spreadsheets are how most surgery centers identify potentially unprofitable cases, leading surgery centers use advanced software, such as HST, to automate the profit estimation process. By identifying your costs per OR minute, flat supply costs, and what percentage of revenue you expect, your predetermined auto-flagging settings (e.g., when an implant is needed) will highlight potential concerns and provide you with the data you need to accept, deny, or modify confidently.

Key Process Steps

1. Confirm seamless integration between your billing, scheduling, and profitability software.

2. Identify a range of surgical cases for review, including both common and rare procedures

3. Collate all pertinent data related to the case, including procedural costs, staffing hours, equipment usage, and overhead.

4. Factor in insurance reimbursements, patient payments, and any other revenue streams associated with the case.

5. Determine net profit/loss by subtracting the total costs form the revenue to ascertain the profitability of each case.

6. Host discussions with physicians and other stakeholders to interpret the data and determine thresholds, scenarios, and edge cases that everyone is comfortable accepting.

7. If applicable and case profitability is too low, contact your implant vendor to evaluate potential modifications to improve profitability.

8. Monitor and adjust over time.

Key Performance Indicators

1. Expected Profit Margin

2. Expected Profit Margin by Procedure

3. Expected Profit Margin by Physician

4. Implant Cost Per Procedure

Benchmarking Data

Revenue Per Case By Specialty

Specialty	Mean	Median
Gastroenterology	$1,079	$1,047
General Surgery	$2,508	$2,272
Gynecology	$3,117	$2,934
Ophthalmology	$1,487	$1,466
Oral Surgery	$909	$819
Orthopedics	$3,791	$3,639
Otolaryngology	$2,617	$2,432
Pain Management	$1,273	$1,159
Plastic Surgery	$2,264	$2,049
Podiatry	$2,990	$3,035
Urology	$2,724	$2,648

Source: VMG Health's Intellimarker

Best Practices

Pre-assessment forms provide a comprehensive overview of a patient's medical history, current medications, allergies, and other relevant health information. They are pivotal in surgical planning, risk mitigation, and patient engagement.

The most efficient way to collect this information is by communicating with patients in a way they prefer: texting. By texting patients a secure link to complete the pre-assessment form, they can do so privately and on their own time. This will enhance the accuracy of information, reduce paperwork, and improve the overall patient experience.

It is recommended that your forms have a user-friendly design, provide patients with clear guidelines and help features, are available in multiple languages, and are accessible to patients with eyesight limitations.

Key Performance Indicators

1. Patient Form Completion Rate

2. Form Accuracy Rate

Benchmarking Data

77% of health care services that used texts to communicate showed improved outcomes.

Source: National Library of Medicine

Key Process Steps

1. Choose a secure platform that integrates with your EHR.

2. Design a comprehensive pre-assessment form that captures all necessary patient details and has a patient-centric design.

3. Send the electronic pre-assessment form link to the patient, either via email or text (text is recommended).

4. Set up reminders to encourage timely form submissions.

5. As forms are submitted, have medical staff review them for completeness and accuracy.

6. If there are discrepancies or additional clarifications are needed, reach out to the patient directly.

7. Ensure that the submitted data automatically populates the patient's electronic health record.

Generate & Send Patient Estimate Prior to Date-of-Service

Best Practices

The financial aspect of surgery often causes just as much anxiety for patients and their families as the procedure itself. Trying to navigate the complexities of how much insurance will cover, what will need to be paid out of pocket by when, and hoping surprise bills don't show up weeks or months later is extremely daunting for the average consumer.

Providing patients with an accurate financial estimate before their date of service (ideally 1-2 weeks out) allows them to plan better and prepare, ultimately enabling you to build trust, collect upfront, reduce last-minute cancellations, and improve patient satisfaction scores.

Using proven technology, you can generate accurate patient estimates in minutes, send the estimate to the patient via text or email, and allow them to submit payment. The estimate should be easy to read, devoid of medical jargon, and include a payer versus patient responsibility breakout.
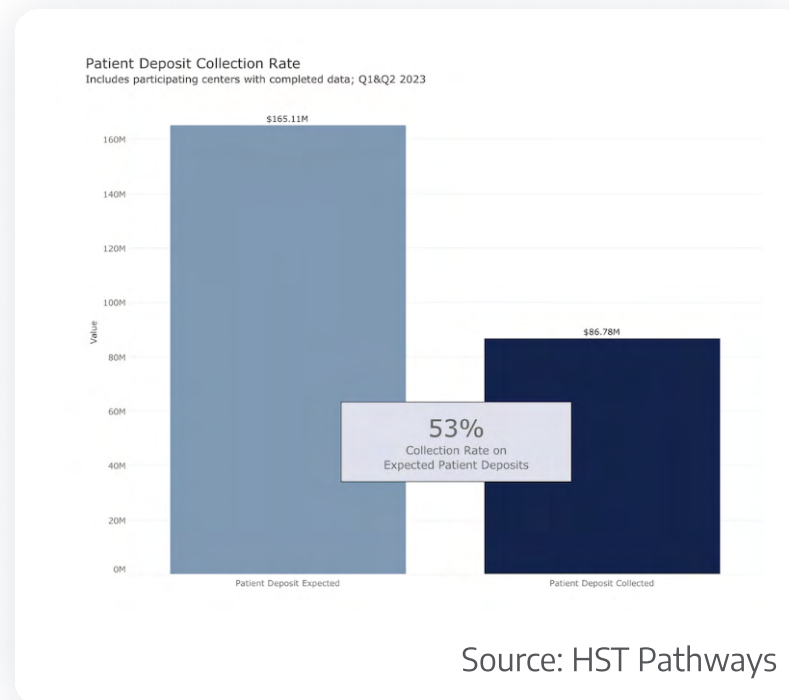
Key Process Steps

1. Populate your estimation software with all patient information, including demographics, procedure type, primary and secondary insurance details, and any related services that might impact cost.

2. Through a clearinghouse integrations, validate the patient's insurance information.

3. Leverage your estimation software to generate a financial estimate that is clear, concise, and easy to understand.

4. Based on the patient's preferences, send the financial estimate to the patient via text or email well before the date of service.

5. Confirm the estimate was delivered and opened through your estimation software.

Key Performance Indicators

1. Accuracy rate of estimate

2. Upfront collection rate

3. Pay in full vs. payment plan

Benchmarking Data

A typical ASC is only collecting 53% of expected patient deposits at time of service.

Patient Deposit Collection Rate
Includes participating centers with completed data; Q1&Q2 2023

$165.11M

$86.78M

53%
Collection Rate on
Expected Patient Deposits

Patient Deposit Expected

Patient Deposit Collected

Source: HST Pathways

Communicate Appointment Reminders & Pre-Op Instructions via Text

HST Pathways™

Best Practices

Sending patient appointment reminders and pre-operative instructions via text message is a modern and efficient way to ensure effective communication and patient preparedness. To have timely and effective dialogue with your patients, you must communicate with them how they prefer instead of forcing them to communicate with you in ways that don't fit into their everyday lives.

Using text messages to send appointment reminders and pre-op instructions will reduce appointment no-shows and cancellations, increase patient compliance with pre-operative instructions, and enhance overall patient satisfaction. The most successful texts are timely, clear, concise, personalized, and allow for two-way communication. Plus, using readily available technology, you can build and automate your texting cadence so that it's automatically set up for every new scheduled patient.

Key Process Steps

1   Confirm your EHR has accurate and up-to-date patient phone numbers and integrate your EHR with a secure text messaging platform that complies with health information privacy laws.

2   Draft your standardized text messages for appointment reminders and pre-op instructions that include the date, time, location, and all necessary information. Personalize the message with the patient's name, type of procedure, and the physician's name.

3   Set the text messaging platform to automatically send text messages at a specific time frame before the procedure (e.g., two weeks before, one week before, one day before).

4   Enable a two-way communication feature and allow patients to confirm their appointment directly through the text message.

5   Build in any keyword triggers and alerts directly into your software to alert the scheduler of any potential changes (e.g., if patient response contains "reschedule," alert the scheduler immediately).

Key Process Steps

1   Time spent updating friends/family

2   Appointment confirmation rate

3   % of texts delivered

4   % of texts with responses

Benchmarking Data

70% of people open a new text message within 5 minutes of receiving it.

90% of people check their new text messages within 30 minutes.

Source: Forbes

Best Practices

Ensuring that the necessary supplies are pulled from the supply room the day before a patient's surgery is crucial for efficient surgical operations and patient safety. This will help to guarantee there are minimal to no surprises on the day of surgery.

As a standard practice, you should train all staff members to be able to pull supplies. This will help make sure there is accountability and consistency in the process. You can also develop standardized procedures for pulling supplies based on the surgical procedure. To maintain the highest levels of quality control, staff should regularly audit the supplies pulled to ensure they match the requirements and are within their expiration dates.

Key Process Steps

1. Using your practice management system, view the physician preference cards and the intra-op supply list to see what is needed.

2. Retrieve the supplies from the supply room based on the checklist.

3. Ensure that all items are in good condition and not expired.

4. Document the supplies pulled and their quantities for accurate inventory management.

Key Performance Indicators

1. # of instances when you are out of stock

2. # expired/unusable items

Patient Journey
Day of Service

1. Check in with the Front Desk & Meet with the Registration Team

2. Collect Outstanding Balance from Patients

3. Prepare the Operating Room, Equipment, and Supplies

4. Patient & Care Team Enter Pre-Op

5. Patient & Care Team Enter OR

6. Share Patient Updates with Family/Friends

7. Patient is Moved to Recovery Area

8. Patient is Discharged

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Best Practices

Patients arriving for surgery with their loved ones are undoubtedly nervous and filled with questions. The check-in process is likely their first time stepping foot in your facility and interacting with your staff in person, so it's critical that this first touchpoint is smooth and sets the right tone.

Your front office team should greet patients with a friendly and empathetic demeanor. Having a designated area for check-ins will maintain patient privacy and prevent sensitive information from being overheard. Lastly, you'll want to communicate the next steps, timing, and expectations to the patient and their family/ride home.

Leading surgery centers are also exploring patient kiosks to assist with patient check-ins. For the patients, it offers faster check-ins and shorter wait times; for your staff, it provides automated workflows and accurate data and reporting. Your front office team will always be there to answer additional questions, but this process will allow for automation and improved patient flow.

Key Process Steps

1. Greet the patient as they arrive and provide a warm welcome to the surgery center.

2. Check the patient's identification, such as a driver's license or ID card, to confirm their identity.

3. Confirm the patient's insurance details and coverage, ensuring accuracy for billing purposes.

Key Performance Indicators

1. Time it takes to check-in

2. Wait time after check-in

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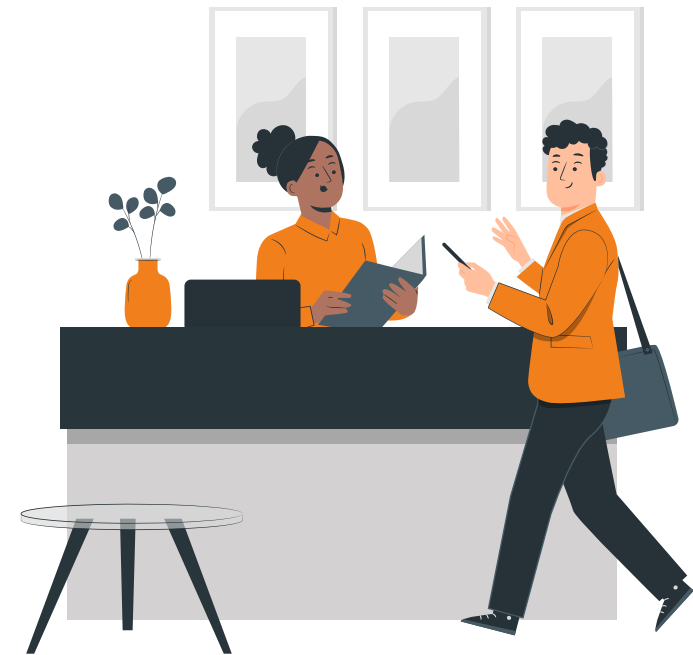
Best Practices

The art of collecting outstanding balances from patients on the day of their surgery is entirely contingent on how you have communicated with them up to this point and the level of price transparency you have shared.

Patients should never hear how much they owe for the first time on the morning of their procedure. This will only add to their anxiety and make them feel overwhelmed and blindsided. In a previous chapter, we discussed the Best Practices for generating and sending an estimate as early as possible (ideally weeks before their surgery). Your day-of-collection success is strongly influenced by how that step was handled.

Regardless, on the day of, you will need to have a financial discussion with the patient, clearly laying out an itemized breakdown of any co-pays, deductibles, or out-of-pocket expenses for them. You should be prepared to accept payment via credit card and provide a receipt. Your staff should then update the patients' records to include payment transactions, dates, amounts, payment methods, and payment plan agreements.

Key Process Steps

1 Have a designated, private area where you can discuss the patient's financial responsibility without other patients overhearing.

2 Clearly communicate the estimated patient responsibility, including co-pays, deductibles, and any additional charges. Share payment options, such as credit card, check, or cash.

3 If applicable, set up and document payment plans according to the patient's needs and financial situation.

4 Walk the patient through financial consent forms, patient rights and responsibilities, privacy practices, and any other required paperwork per your center's policies.

5 Accept patient payment and update the patients' records.

6 If a balance remains, share with the patient when and how you will be following up on unpaid balances so there are no surprises post-procedure.

7 Clearly communicate with the patient any additional bills they may be receiving from third parties (e.g., Anesthesia group).

Key Performance Indicators

1 Day of collection rate

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Best Practices

Efficiently preparing the operating room, equipment, and supplies is critical to ensuring successful surgical procedures within a surgery center. Proper preparation not only promotes patient safety but also contributes to the overall effectiveness of the surgical team.

Properly preparing the operating room, equipment, and supplies is a multifaceted process that demands attention to detail, collaboration, and adherence to established protocols. Proper preparation not only promotes patient safety but also contributes to the overall effectiveness of the surgical team and better surgical outcomes.

Standardized checklists, collaborative planning, and proper inventory management are crucial to making this part of the workflow seamless.

Key Process Steps

1. Review the schedule for the day, looking at types of procedures, their estimated durations, and any special requirements.

2. Make sure that the room is adequately prepared, including adjusting the operating table, arranging necessary equipment, and positioning monitors and lights.

3. Conduct a thorough check of all equipment and instruments required for the procedure, confirming that they are clean, functional, and readily available in the operating room.

4. Verify that all necessary supplies are available and ensure that surgical instruments are properly sterilized according to established protocols.

5. Once all checks are complete, the surgical team can begin the procedure.

6. Make sure to update the patient's chart as you go.

Key Performance Indicators

1. OR turnaround time

Best Practices

The seamless entry of patients and the care team into the pre-operative (pre-op) area is crucial to ensuring the safety, comfort, and efficiency of surgical procedures. This phase sets the tone for the entire surgical experience, contributes to positive surgical outcomes, and enhances the overall patient experience.

The pre-op team should provide patients with clear and concise information about what to expect during the procedure. This includes explaining the process, addressing any concerns, and outlining the roles of different team members. At this time, it's also critical that you verify that the patient's consent forms are properly completed and signed and review the patient's medical history, allergies, and any pre-operative medications one final time.

Key Process Steps

1. Greet the patient warmly upon arrival in the pre-op area.

2. Use a standardized protocol to verify the patient's identity using two unique identifiers, such as full name and date of birth.

3. Conduct a comprehensive pre-op assessment, including reviewing the patient's medical history, allergies, vital signs, and current medications.

4. Ensure that the patient's consent forms are signed and accurate and that appropriate transportation arrangements have been made for their journey home.

5. Confirm with the patients who their designated contact person is and that they have the patient's consent to share updates and discuss the extent of information that can be shared.

6. Inform the family or friends of the anticipated timing for the next update. This could be based on the estimated duration of the surgery or other relevant milestones.

7. Complete any necessary pre-operative in-house lab tests and medications that were ordered. Administer prophylactic antibiotics any start IV.

8. The anesthesiologist meets with the patient to discuss anesthesia options, address concerns, and gather information about the patient's anesthesia history.

9. Once the patient is fully prepared and all necessary assessments are complete, have the anesthesiologist or OR circulator accompany the patient to the operating room.

Key Performance Indicators

1. Pre-op waiting time

2. Cancellation rate in pre-op on day of surgery

3. # of IV attempts

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Best Practices

The entry of patients and the care team into the operating room is pivotal in the surgical process, requiring precision, communication, and adherence to strict protocols. Surgery center leaders and staff must establish a seamless and organized approach, prioritizing patient safety, sterility, and effective communication.

When entering the OR, all care team members must adhere to the highest level of sterility within the operating room and enforce rigorous protocols to prevent contamination and reduce the risk of surgical site infections. For a successful surgical outcome, the surgical lead should ensure everyone knows the surgical plan, patient history, and any specific considerations. The OR nurse and surgeon must confirm that all necessary surgical instruments, equipment, and supplies are available and properly arranged within the OR. As a required practice, you'll always want to verify that the patient's consent forms are accurate, complete, and signed and that you've completed the surgical safety checklist and the Time Out checklist per center protocol.

Key Process Steps

1 Perform thorough sterile hand hygiene using an approved antiseptic solution before entering the OR.

2 Care team members should put on their surgical attire and PPE according to established protocols.

3 Transfer the patient from the pre-op area to the OR bed, ensuring proper body alignment and comfort.

4 Use at least two unique patient identifiers to verify the patient's identity before entering the OR. This step is crucial for preventing errors.

5 Gather the care team for a brief huddle to ensure that everyone is on the same page regarding the surgical plan and patient information.

6 Conduct a final verification of the patient's identity, surgical site, and any critical details with the entire care team present.

7 Coordinate with the anesthesia provider to begin the induction process. Ensure that the patient is comfortable and adequately monitored.

8 The surgical team is now ready to assume control.

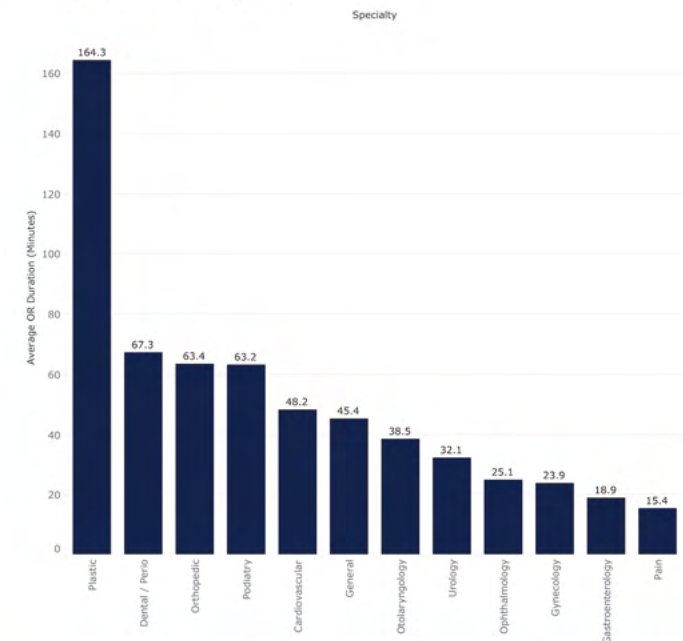**9** Make sure to update the patient's chart and document supply usage as you go.

Key Performance Indicators

1 Start time expected vs. actual

2 Surgery duration expected vs. actual

Benchmarking Data

Average OR Duration by Specialty

Source: HST Pathways

Best Practices

Keeping family and friends informed about a patient's status during surgery is critical to patient-centered care within a surgery center. Effective, timely, and proactive communication comforts loved ones, fostering trust and transparency. Suppose you do not set clear expectations with patients' loved ones on when they can expect an update and how the updates will be shared. In that case, your front office staff will be inundated with family members approaching the desk or calling the front desk, ultimately distracting your team from providing care and working on other tasks.

To make sharing updates seamless, offer multiple communication channels, such as text messages or surgery boards in the waiting room. Train staff to communicate updates with empathy, sensitivity, and professionalism. Use clear, jargon-free language that non-medical individuals can easily understand. Lastly, develop a consistent format for sharing updates, including information such as the patient's condition, progress, and any relevant milestones.

Key Process Steps

1. Collect accurate contact information from family or friends, including phone numbers, email addresses, and any preferred communication methods.

2. Prepare updates that include relevant information, such as the surgery's progress, any unexpected findings, and the patient's overall condition. Use neutral and accurate language.

3. If there are any changes in the patient's condition or unexpected developments, communicate these changes promptly and honestly.

4. As the surgery nears completion, provide a final update and inform the family or friends of the impending reunion with the patient once they are in the recovery area.

Key Performance Indicators

1. Time spent updating family/friends

Best Practices

The safe and efficient transfer of patients from the operating room to the recovery area requires careful coordination, monitoring, and attention to the patient's well-being.

The care team must continuously monitor the patient's overall condition during the transfer and initial recovery phase. You'll want to foster clear and effective communication between the surgical team, anesthesia providers, nursing staff, and the patient, double-checking that everyone knows the patient's status and any pertinent details.

Prioritizing the patient's comfort, dignity, and emotional well-being and promptly addressing any pain, discomfort, or concerns will improve patient satisfaction and overall experience. Lastly, keep family and friends informed about the patient's transfer to the recovery area. Accurate and reassuring updates will provide relief from their stress and worry.
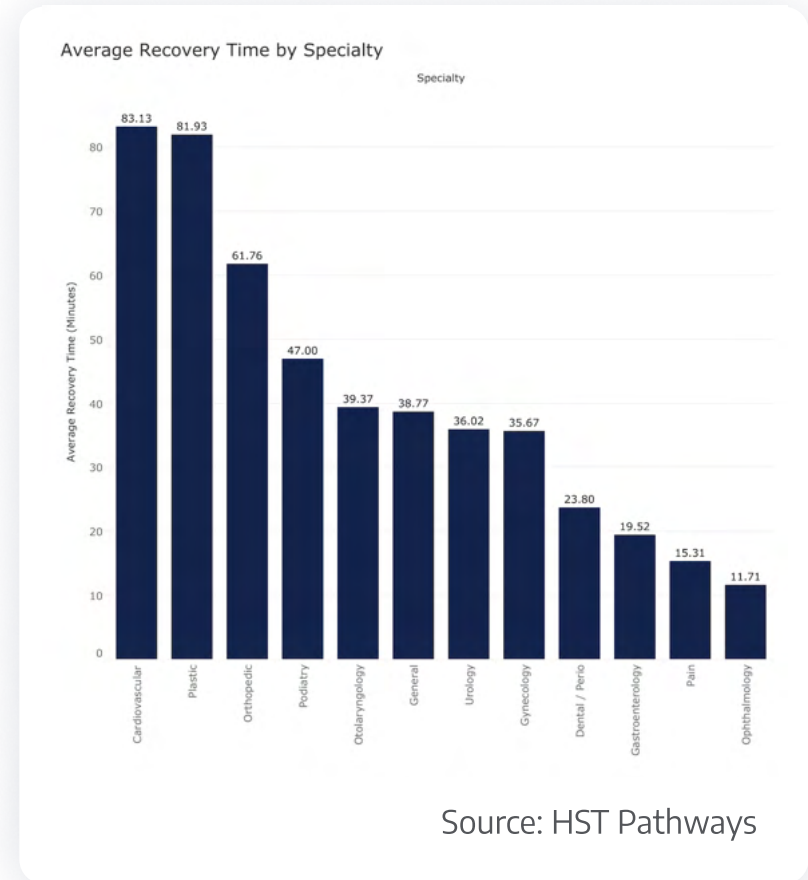
Key Process Steps

1. Before transferring the patient, the anesthesiologist will conduct a thorough post-operative assessment to ensure they are stable and ready for the next phase of recovery.

2. The post-anesthesia care unit (PACU) will be notified the patient is headed their way.

3. Provide a concise handoff to the nursing staff in the recovery area, including details about the surgery, patient condition, medications administered, and any specific requirements.

4. If the patient is in pain, administer appropriate pain relief medications based on the patient's needs and the surgeon's orders.

5. Once in the recovery area, the nursing staff will initiate recovery protocols, including monitoring the patient's vital signs, addressing any immediate needs, and ensuring a smooth wake-up from anesthesia.

6. If allowed & requested, facilitate a controlled reconnection between the patient and their family or friends in accordance with the recovery area's policies.

7. Make sure to update the patient's chart and document supply usage as you go.

Key Performance Indicators

1. Post-op recovery time

Benchmarking Data

Average Recovery Time by Specialty

Specialty

Specialty	Average Recovery Time (Minutes)
Cardiovascular	83.13
Plastic	81.93
Orthopedic	61.76
Podiatry	47.00
Otolaryngology	39.37
General	38.77
Urology	36.02
Gynecology	35.67
Dental / Perio	23.80
Gastroenterology	19.52
Pain	15.31
Ophthalmology	11.71

Source: HST Pathways

Best Practices

The moment the patient and their loved ones are waiting for – it's time to go home! While this is the final step in the patient's journey at your facility, it's equally as important as the previous steps, and it's critical that the discharge process is seamless and thorough.

Clear communication is the key to success. Straightforward guidance on medication management, wound care, activity restrictions, and potential complications helps prevent avoidable errors and adverse events during recovery. When done correctly, proper discharge instructions lead to optimal recovery and empower patients to take appropriate actions if they notice any signs of trouble.

It is recommended that you provide verbal and written instructions in your patient's native language and that you use clear, jargon-free language that non-medical individuals can easily understand.

Key Process Steps

1. Conduct a final assessment of the patient's condition to ensure that they are medically stable and fit for discharge.

2. Review the patient's prescribed medications and provide clear instructions for taking them, including dosage, frequency, and potential side effects.

3. If applicable, provide detailed wound care instructions, including how to keep the surgical site clean, change dressings, and identify signs of infection.

4. Clearly communicate any activity restrictions or limitations, offer guidance on personal hygiene, and provide dietary recommendations based on the patient's surgical procedure and any post-operative dietary restrictions.

5. Discuss pain management strategies, including prescribed pain medications and any over-the-counter options.

6. Provide the patient with written discharge instructions that summarize all discussed points.

7. Confirm that the patient and their family understand the instructions and have a clean, safe environment for recovery, access to proper food, and access to anything needed for a successful recovery.
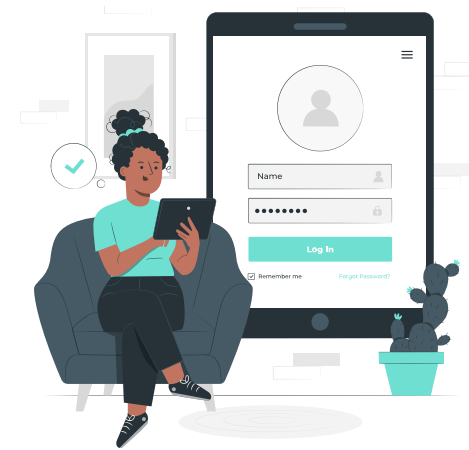
Key Performance Indicators

1. Discharge time

Patient Journey
Post-Day of Service

1. Check-in With Patient

2. Review Chart for Completion and Close

3. Send Patient Satisfaction Survey

4. Perform Coding & Charge Entry

5. Perform Claim Management

HST Pathways™

Best Practices

Checking a patient's health the day after surgery is vital in providing comprehensive post-operative care. Prompt and proactive follow-up will demonstrate dedication to your patient's well-being and foster patient trust, satisfaction, and successful outcomes.

Your patient engagement software, such as HST, should present you with a clear, straightforward list of which patients need to receive a phone call and which already have. Implementing a process like this will streamline follow-up and make it clear to all care team members the status of each patient. It is also recommended that post-phone call, you communicate any additional post-operative instructions via text to your patients, allowing them to respond via text and have two-way communication. You will then want to maintain detailed and accurate records of follow-up interactions, including the patient's condition, any symptoms, and advice given.

Key Process Steps

1 Choose an appropriate communication method, such as a phone call, text message, or both, based on the patient's preferences.

2 Initiate the follow-up call or communication with the patient, introducing yourself and explaining the purpose of the call.

3 Ask about the patient's general well-being, comfort level, pain level, and any concerns they may have.

4 Confirm that the patient is following prescribed medication regimens and all relevant discharge instructions.

5 Thank the patient for their time, express the surgery center's commitment to their well-being, and provide contact information for further questions.

6 Remind the patient to complete the patient satisfaction survey.

7 Accurately document the follow-up conversation, noting the patient's responses, any recommendations provided, and any actions taken.

Key Performance Indicators

1 Time spent on follow-up

Best Practices

Closing the patient's chart the day after surgery is a crucial task to make sure all necessary documentation, including surgical notes, post-operative instructions, and billing information, is complete and accurate. This not only aids in providing coordinated and comprehensive post-operative care but also ensures compliance with regulatory requirements and helps minimize legal risks.

Utilizing an EHR system to streamline reviewing and completing the patient's chart is a game-changer. Electronic charting helps guarantee that all necessary information is easily accessible and updated in real time. It also allows doctors to review and sign from wherever they are (no more stalking them in the hallways trying to get them to sign off on a paper chart!) and can provide visual indicators of completed charts to stay organized.

Key Process Steps

1. Ensure that all post-surgery documentation, including surgical notes, post-operative instructions, and billing information, is completed and included in the patient's chart immediately after the surgery. Don't forget to link operative reports and lab results.

2. Review the patient's chart using a standardized checklist to make sure all necessary documentation and information is complete and accurate.

3. Address any discrepancies or missing information identified during the review process. This may involve contacting the surgical team or other relevant staff members to obtain the necessary information.

4. Conduct a final review of the patient's chart to ensure that all necessary documentation is complete and accurate before officially closing the chart.

5. Officially close the patient's chart in the EHR system and maintain a record of all patient charts for future reference and compliance with regulatory requirements.

Key Performance Indicators

1. Post-DOS chart completion rates

Best Practices

Patient satisfaction surveys are essential for surgery centers to assess the quality of care provided, identify areas for improvement, and ultimately enhance the overall patient experience.

The timing of when you distribute the survey is crucial. You want to send the survey while the experience is fresh in your patient's mind, but you don't want to send it too soon as the patient may still be experiencing side effects of the anesthesia or potentially in discomfort. Typically, 48 hours post-surgery is the perfect time to distribute. Distribution methods also play a huge role. Using email and text to send a survey link, versus collecting feedback over the phone or via mail, will keep costs down and increase response rates. Other ideas for success would be ensuring anonymity, keeping the survey concise and easy to read, and personalizing with the patient's name.

Lastly, it is recommended that you build alerts and triggers into your collection software, such as HST, to notify the administration immediately if there are any words within the open-ended questions that may warrant immediate attention (e.g., infection, hospital, or pain).

Note: Once OAS CAHPS becomes required in 2025, you will need to ensure you are properly distributing, aggregating, and reporting results. Given that the OAS CAHPS survey consists of 31 questions, many ASCs may opt for the minimum necessary to meet the survey requirements. However, for the remaining patients, ASCs can offer a more concise and personalized patient survey. This approach allows ASCs to strike a balance between compliance and meaningful patient responses.

Key Process Steps

1. Develop a comprehensive survey that covers all aspects of the patient's experience or leverage OAS CAHPS for guidance.

2. Determine the most appropriate mode(s) of survey distribution based on the patient's preferences (text or email will warrant the highest and quickest response rates).

3. Set up your software so that it automatically sends the survey 48 hours post-surgery.

4. Analyze the survey results to identify trends, patterns, and areas of concern that need to be addressed.

5. Develop and implement an action plan to address the identified areas of concern and make necessary improvements.

Key Performance Indicators

1. Frequency of feedback that requires immediate follow-up

Perform Coding & Charge Entry

Best Practices

Accurate and timely coding and charge entry are fundamental to any facility's financial health and operational efficiency. The process involves assigning appropriate codes for procedures and entering the corresponding charges into the billing system. This is crucial for reimbursement and compliance with regulatory requirements and maintaining a transparent and efficient billing process.

Utilizing EHR and practice management systems, ideally integrated with a clearinghouse, will help to streamline the process significantly. Human error is inevitable, but using software, such as HST, and employing well-trained coders who are well-versed in the latest coding standards and guidelines will help reduce denials and avoidable mistakes. When a denial occurs, it's important to take meticulous notes and review to avoid the same errors in the future.

Key Process Steps

1. Ensure that detailed documentation of the surgical procedure, including surgical notes and operative reports, is completed and included in the patient's chart immediately after the surgery.

2. Assign the appropriate codes for the procedures performed based on the detailed documentation provided. This should be done by a certified coder who is well-versed in the latest coding standards and guidelines.

3. Enter the corresponding charges for the procedures performed into the billing system. This should be done based on the assigned codes and the surgery center's fee schedule.

4. Conduct a thorough review of the codes and charges entered to identify and correct any errors or discrepancies.

5. Submit the coded and audited charges to the payer for reimbursement. This may involve electronic submission via a clearinghouse or direct submission to the payer.

Key Performance Indicators

1. Time spent to make each entry

2. Charge lag (time between DOS and date charges are entered)

3. Denial rates due to coding errors

Benchmarking Data

On average, ASCs with 3-4 ORs are taking 3.2 days to bill post-DOS.

Days to Bill by ORs
# of ORs
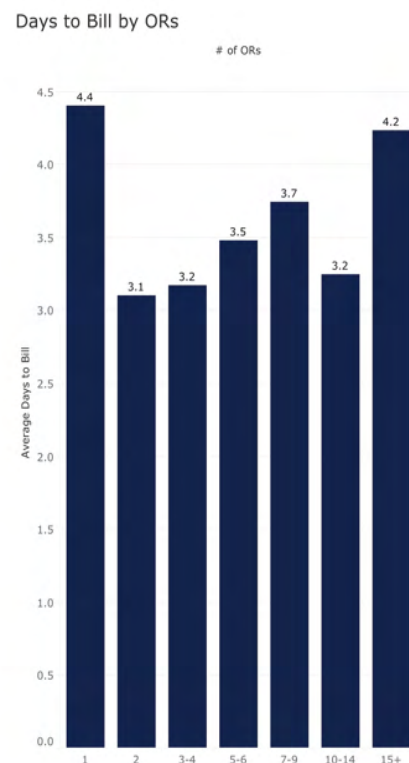
Source:
HST Pathways

HST Pathways™

Best Practices

The financial sustainability of surgery centers heavily relies on an efficient and effective claim management process. Claim management involves preparing, submitting, tracking, and managing insurance claims for the services provided by the surgery center. Proper claim management ensures timely and accurate reimbursement, which is crucial for maintaining cash flow and operational efficiency. Furthermore, it also plays a critical role in compliance with payer requirements and regulatory guidelines.

Advanced technology, including EHR, practice management, and electronic claims submission systems, will streamline the entire claim management process. You will also need to regularly monitor the status of submitted claims to identify and address any issues, such as denials or requests for additional information, in a timely manner.

Key Process Steps

1   Prepare the insurance claim by compiling all necessary information, including patient demographics, insurance details, procedure codes, and charges.

2   Submit the insurance claim to the payer either electronically through a clearinghouse or via direct submission, depending on the payer's requirements.

3   Regularly monitor the status of submitted claims to identify and address any issues in a timely manner via your practice management system or the payer's online portal.

4   If a claim is denied, identify the reason for the denial, make the necessary corrections, and resubmit the claim as quickly as possible.

5   Once the payment is received, post the payment to the patient's account in the practice management system and reconcile the payment with the charges submitted.

Key Performance Indicators

1   Clean claim rate

2   Claim rejection rate

3   Claim denial rate

4   Days in A/R

Benchmarking Data

ASCs are typically experiencing an 8% denial rate on their claims.

Claims Denied

DENIED
8% (21,345)

NOT DENIED
92% (229,897)
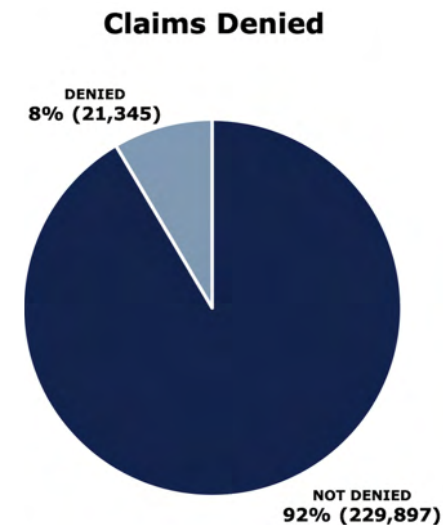
Source: HST Pathways

Data is a representative subset of claims processed through HST's software during part of 2023.

Regularly Recurring Operations:
Daily/Weekly

- Order Supplies
- Review Shift Coverage
- Review Collections, Outstanding AR, and Claim Denials
- Follow Up with Patients on Overdue Balances
- Reconcile Discrepancies in Posted Payments
- Review Quality Outcomes

Best Practices

Ordering new supplies to restock the inventory room is a crucial aspect of operations in surgery centers. An adequate stock of necessary supplies ensures that the center can operate efficiently and provide patients with the highest level of care. On the other hand, inadequate supplies can lead to delays, increased costs, and even compromise patient safety.

Implementing Best Practices and following Key Process Steps are essential for maximizing the efficiency and accuracy of the ordering process. Regularly checking inventory levels, utilizing an automated inventory management system, establishing minimum and maximum levels, implementing a standardized ordering process, building solid relationships with reliable suppliers, and regularly reviewing supplier performance are all critical steps. Proper attention to each process step will ensure that the surgery center always has an adequate stock of necessary supplies.

Key Process Steps

1. Regularly check the inventory levels of all supplies to determine what needs to be ordered. This can be done manually or using an automated inventory management system.

2. Prepare the order by listing all the items that need to be ordered, along with their quantities. This should be done based on the minimum and maximum inventory levels established for each item.

3. The order should be authorized by a designated person or team before it is placed. This helps in avoiding unnecessary or excessive orders.

4. Place the order with the selected supplier. This can be done online, by phone, or by fax, depending on the supplier's requirements.

5. Verify the order once it is received to ensure that all items are received in the correct quantities, in good condition, and at the negotiated price.

6. Update the inventory records to reflect the new stock levels. This can be done manually or automatically if using an automated inventory management system.

7. Store the supplies in their designated areas, ensuring that they are easily accessible and organized.

Key Performance Indicators

1. Order lead time: average time it takes to order vs. receive

2. Inventory turnover rate: how quickly do you go through each supply

3. Expired inventory: what % are you losing

4. Order accuracy: order vs. received

5. Stockouts: how often are supplies not available

Best Practices

Confirming adequate staff scheduled each week is essential for the smooth functioning of the center, maintaining high levels of patient safety, and ensuring employee well-being. Overstaffing can lead to increased costs, while understaffing can lead to delays, decreased quality of care, and employee burnout. Utilizing staff scheduling software, such as HST, considering staff preferences, regularly reviewing staffing needs, and implementing a fair and transparent scheduling process are all elements of success.

With the nationwide staffing shortage, retention and satisfaction are more important than ever. Another strategy to consider is cross-training. Cross-training increases efficiency as tasks can be redistributed based on the workload and staff availability, increases job satisfaction as staff members gain new skills, optimizes staff schedules, and reduces overtime costs.

Lastly, leading surgery centers see success when they implement scheduling software that allows staff to see and manage their schedule, adding a sense of control and autonomy that leads to the work/life balance that works for them.

Key Process Steps

1. Determine the staffing needs of the center for the upcoming week. This should be based on scheduled surgeries, historical data, & any other relevant factors.

2. Create a preliminary schedule for the upcoming week. This should be done using staff scheduling software and should consider staff preferences.

3. Communicate the preliminary schedule to the staff. This can be done via email, a staff portal, or any other communication method used by the center.

4. Manage any shift swaps and requests from staff. This should be done in a fair and transparent manner, with clear criteria for approving or denying requests.

5. Finalize the schedule after considering all shift swaps and requests. Ensure that the schedule is aligned with the staffing needs of the center.

6. Communicate the final schedule to the staff. Ensure that all staff are aware of their scheduled shifts for the upcoming week.

7. Monitor the schedule throughout the week and make any necessary adjustments.

Key Performance Indicators

1. Coverage: what % of shifts are covered

2. No-shows: what % of staff do not show up for their shift

3. Late arrivals: what % of staff arrive late

4. Overtime hours

Benchmarking Data

Full Time Staff Members

Staff	Mean	Median
Nurse Staff	15	13
Tech Staff	8	6
Administrative Staff	9	8

Staff Hours Per Case (HPC)

Staff	Mean	Median
Nurse HPC	6.7	6.3
Tech HPC	3.3	3
Administrative HPC	4	3.7

Source: VMG Health's Intellimarker

HST Pathways™

Best Practices

Regularly reviewing financial metrics is essential for maintaining healthy cash flow, identifying and addressing issues promptly, and ensuring the financial sustainability of your center.

Leading surgery centers employ advanced practice management software, such as HST, that can track collections, accounts receivable, and denials in real time, generate reports, and provide insights into the center's financial health at a moment's notice. The most seamless revenue cycles utilize as much software and automation as possible.

Implementing a robust denial management process, regularly reviewing payer contracts, implementing a proactive collections process, and regularly monitoring and analyzing financial metrics are all additional elements for successful financial management.

Key Process Steps

1. Generate financial reports that provide an overview of the collections, accounts receivable, and denials for the past week. This should be done using financial management software.

2. Review the collections for the past week to ensure that all amounts received are accurate and aligned with the payer contracts. Identify any discrepancies or issues and address them in a timely manner.

3. Review the accounts receivable to identify any outstanding amounts that need to be collected. Implement a proactive collections process that includes regular follow-up with payers and patients for outstanding amounts.

4. Review the denials for the past week to identify any trends or patterns. Implement a robust denial management process to address denials in a timely and efficient manner.

5. Analyze key financial metrics to identify trends and areas for improvement.

6. Implement any necessary actions based on the review and analysis. This may involve making changes to the billing or collections process.

Key Performance Indicators

1. Denial rate

2. Days in A/R

3. A/R Aging: 30 days, 60 days, 90+ days

Benchmarking Data

Average of Days Not Worked by Age of Receivables
Includes participating centers with completed data; Q1&Q2 2023

Receivables by Day Bucket
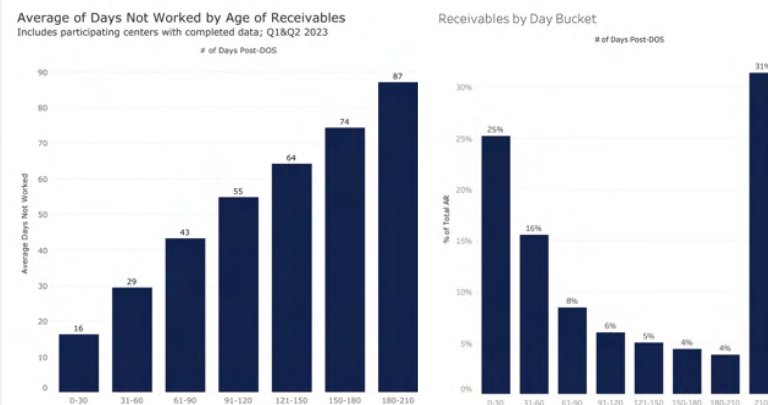
Source: HST Pathways

HST Pathways™

Best Practices

Following up with patients on overdue balances every week is essential for maintaining healthy cash flow and ensuring the financial stability of a surgery center.

It is common knowledge that collecting payment upfront, before the patient's procedure, is a best practice for a multitude of reasons. But it is also common knowledge that as patient responsibility continues to increase, upfront collections will become more complex, and more and more patients will delay payment and opt-in to payment plans. Your surgery center must be prepared.

Implementing a clear communication strategy, utilizing advanced billing and collections software, such as HST, implementing a structured follow-up process, providing multiple payment options, and training staff on effective communication are all crucial elements for successful follow-up on overdue balances.

Key Process Steps

1. Identify the overdue balances by generating an aging report. This should be done using practice management software.

2. Prepare a follow-up list that includes the details of the patients with overdue balances, the amount overdue, and the number of days overdue.

3. Conduct an initial follow-up with the patients on the list. Your software should automate as much of the outreach via text or email as possible.

4. Document the details of the follow-up, including the date and time of the follow-up, the mode of communication, and the response of the patient.

5. Conduct subsequent follow-ups via phone at predetermined intervals if the balance remains unpaid. Escalate the follow-up actions as necessary, which may include sending a final notice or referring the account to a collection agency.

6. Process any payments received from the patients. Update the patient account accordingly.

7. Monitor and analyze the follow-up process to identify any trends or areas for improvement.

Key Performance Indicators

1. % of cases sent to collections

2. Post-DOS collection rates

Best Practices

Discrepancies in posted payments can lead to significant financial issues and headaches, including cash flow problems, inaccurate financial reporting, and strained relationships with payers and patients.

To improve the accuracy of your reconciliation process, your billing team should have access to advanced payment processing software, such as HST Pay, that can automatically post payments, identify discrepancies, and generate reconciliation reports. Your billing team should also be knowledgeable enough to identify the root cause of the discrepancy to help avoid the same outcome in the future (such as incorrect procedure codes, insurance denials, internal posting errors, and so on).

Additional tips for successful reconciliation include implementing a standardized reconciliation process, regularly reviewing payer contracts, and maintaining accurate and complete patient payment records.

Key Process Steps

1 Review the posted payments by generating a reconciliation report. This should be done using payment processing software.

2 Identify any discrepancies in the posted payments.

3 Investigate the discrepancies identified to determine the cause.

4 Resolve the discrepancies identified. This may involve making adjustments to the posted payments or contacting the payer for clarification.

5 Document the reconciliation process, including the discrepancies identified, the investigation conducted, and the resolution implemented.

6 Monitor and analyze the reconciliation process to identify any trends or areas for improvement.

Key Performance Indicators

1 Overpayment/Underpayment

2 Reoccurrence Rate of Root Causes Identified

Benchmarking Data

Payment Amount vs. Contract Fee
Q1 & Q2 2023

85% of Claims Classified as Underpayment

Source: HST Pathways

HST Pathways™
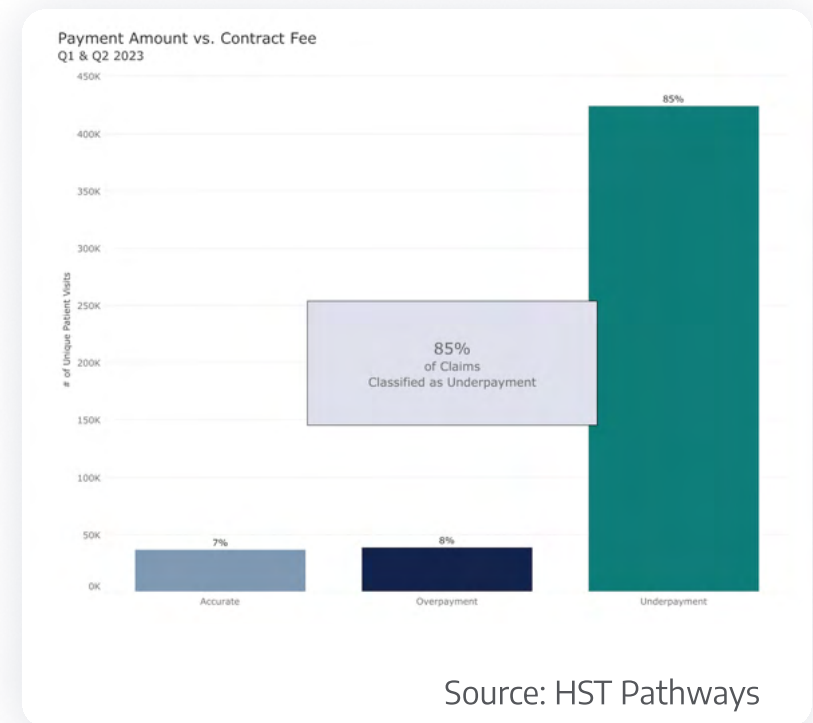
Best Practices

Ensuring high-quality outcomes is the #1 priority for any surgery center. Quality outcomes not only lead to better patient satisfaction and improved reputation but also can impact the center's financial performance through payer reimbursements and avoiding potential penalties and lawsuits.

Every surgery center needs to implement a comprehensive quality measurement system that tracks various quality indicators, such as surgical complications, infection rates, burns, falls, and more. Between your electronic charting software and your practice management software, such as HST, there will be various locations for discharge nurses to input these data points and provide comprehensive analytics and reports for you to pull and review easily.

Achieving high-quality outcomes requires surgeons, nurses, anesthesiologists, administrative staff, and the rest of the care team to be engaged and proactive. To build a culture around improving outcomes, regularly review and update the quality indicators being tracked, share results, crowdsource ideas for improvement, and implement a continuous improvement process.

Key Process Steps

1. Configure your electronic charting software to collect data on the quality indicators being tracked.

2. Train your team on the importance of tracking this information and how to accurately and consistently input the data.

3. Analyze the data collected to identify any trends, areas for improvement, or discrepancies.

4. Implement any necessary changes based on the review and analysis.

5. Monitor the impact of the changes implemented.

Key Performance Indicators

1. SSI (Surgical Site Infection) Rates

2. Adverse Drug Reaction

3. Sharps Injury

4. Exposure Event

5. Cardiac or Respiratory Arrest

6. Burns

7. Falls

8. Hospital Transfers

9. Wrong site, wrong side, wrong patient, wrong procedure, wrong implant

Benchmarking Data

Patient Falls
Fall Rate per 1000 ASC Admissions
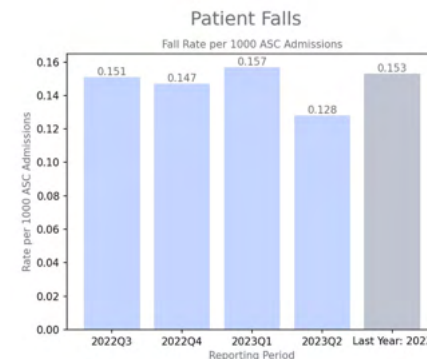
Source: ASC Quality Collaboration

Regularly Recurring Operations:
Monthly/Quarterly

- Review Profitability Reports
- Review Accreditation, Compliance, and Credentialing Statuses
- Perform Emergency Preparedness Drills
- Perform Marketing Review
- Manage Payroll
- Perform Financial Review
- Hold Quarterly Board Meetings
- Perform Infection Control Audits
- Review Patient Satisfaction Survey Results

HST Pathways™

Best Practices

After patient outcomes, profitability is the second highest priority for surgery centers.

Regularly reviewing profitability reports is essential for understanding the center's financial performance and making informed decisions to enhance profitability. Doing so monthly allows timely detection of any issues and enables the center to implement changes quickly.

As a best practice, your financial and administrative staff should leverage advanced financial analytics tools and practice management software, such as HST, to aggregate and analyze data from various sources, identify trends, and generate actionable insights. In addition, they should also implement a standardized reporting structure that includes key financial indicators, such as revenue, expenses, and net income, as well as detailed breakdowns of these indicators.

Proper attention to each step of the process will ensure that the surgery center can identify and address any areas for improvement, maintain profitability, and provide financial stability.

Key Process Steps

1. Using technology built into your scheduling and practice management systems, prepare the profitability report for the month.

2. Review the profitability report with multidisciplinary teams, including the board of directors, to discuss the findings and identify potential root causes of any issues.

3. Identify areas for improvement based on the review and analysis. This may involve pinpointing areas where expenses can be reduced or flagging certain case attributes to avoid in the future.

4. Implement any necessary changes based on the review and analysis.

5. Monitor the impact of the changes implemented on profitability

Key Performance Indicators

1. Expected profitability per case vs actual profitability

2. Net revenue by surgeon or specialty

3. Net revenue by payer

4. Net revenue

5. Monthly case volume

Benchmarking Data

Average Net Revenue per Case
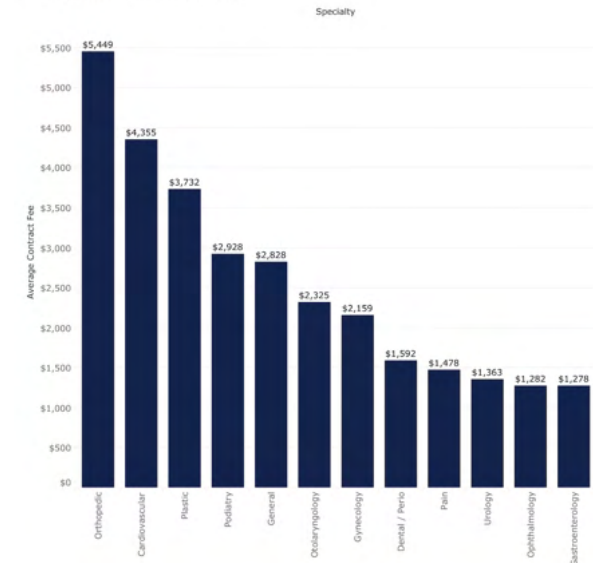
Source: HST Pathways

Best Practices

Regularly reviewing accreditation, compliance, and credentialing statuses is essential for ensuring the highest standards of patient care and safety, maintaining operational integrity, and mitigating risk.

First and foremost – it is recommended that you maintain a centralized electronic database of all accreditation, compliance, and credentialing documents and statuses. Without software, such as HST, that utilizes automated tracking and alerts for upcoming deadlines, this process will be burdensome and a major headache with all the moving parts. You should involve key stakeholders, including clinical staff, administrative staff, and leadership, in the review process to ensure comprehensive evaluation and adherence to standards. Lastly, make sure to conduct regular internal audits to assess the center's adherence to various accreditation, compliance, and credentialing requirements. This includes but is not limited to CMS, JCAHO, AAAHC, The No Surprises Act, state licensing, maintaining physician credentials and privileges, and more.

Key Process Steps

1. Review the status of accreditation, compliance, and credentialing. This includes checking for any upcoming deadlines, requirements that need to be addressed, or any changes in regulations or standards.

2. Compare the status with the required standards. Identify any gaps or areas for improvement.

3. Discuss the findings with key stakeholders, including clinical staff, administrative staff, and leadership. Collaborate to develop action plans to address any identified gaps or areas for improvement.

4. Implement any necessary changes based on the review and discussion. This may involve updating policies and procedures, conducting additional training, or submitting required documents to accreditation or regulatory bodies.

5. Update the centralized database with any new documents or changes in status.

6. Monitor the implementation of changes and follow up on any pending items or deadlines.

Key Performance Indicators

1. Accreditation Renewal Rate

2. Compliance Audit Pass Rate

3. Incidents of Non-compliance

4. Physician Re-Credentialing Rate

Benchmarking Data

The data below only represents ASCs that participated in ASCA's Benchmarking Program.

ASC Accreditation Breakout

AAAHC - Accreditation Association for Ambulatory Health Care (81%)
ACHC - Accreditation Commission for Health Care (formerly HFAP) (1%)
Quad A - American Association for Accreditation of Ambulatory Surgery Facilities (2%)
The Joint Commission (8%)
Not Accredited (7%)

Selection Percentage
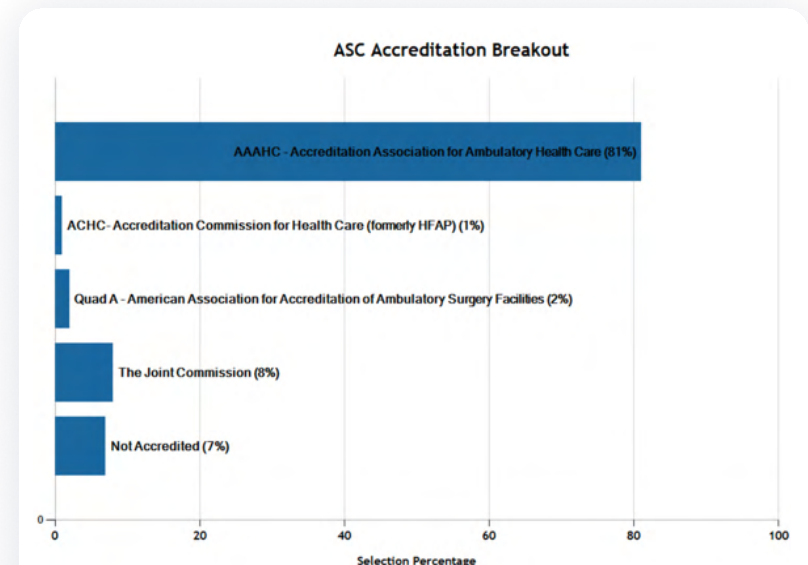
Source: ASCA's Clinical & Operational Benchmarking Survey

Perform Emergency Preparedness Drills

Best Practices

Emergency preparedness involves planning, organizing, and training for unexpected events that could disrupt the center's normal operation or pose a risk to the safety of patients, staff, or visitors. Performing emergency preparedness drills monthly is essential to ensure that all staff are familiar with the emergency procedures, can respond quickly and effectively in an emergency, and can identify and address any areas for improvement in the emergency response plan.

Developing a comprehensive emergency response plan for various scenarios (such as fires, power outages, medical emergencies, or active shooters), involving all clinical and administrative staff, EHR downtime, simulating real-life scenarios, regularly updating the emergency response plan, conducting debriefings, and documenting the drills are all crucial elements for successful emergency preparedness.

Key Performance Indicators

1. Frequency of drills

2. Staff completion rate

3. Drill completion time

Key Process Steps

1. At the beginning of the year, develop a calendar with your scheduled drills so that you do not miss any that are required by law or accrediting bodies.

2. Plan the drill in advance. Decide on the type of emergency to be simulated, the date and time of the drill, and the staff members who will participate.

3. Communicate the plan for the drill to all staff members who will be participating. Make sure they understand the purpose of the drill, what is expected of them, and how the drill will be conducted.

4. Conduct the drill as planned. Monitor the performance of the staff and the effectiveness of the emergency response plan.

5. Conduct a debriefing session after the drill. Discuss what went well, what didn't, and what can be improved.

6. Update the emergency response plan based on the findings of the drill and the feedback received during the debriefing session.

7. Document the drill, including the scenario, the staff members who participated, the findings of the drill, and any changes made to the emergency response plan.

HST Pathways™

Best Practices

Surgery centers are often reluctant to lean into marketing because patients are just continuously referred to them, so what does marketing matter? But marketing is about more than just attracting new patients. It's about building and maintaining relationships with existing patients, the local community, and other potential partners. A good marketing plan includes strategies for keeping patients engaged and satisfied with the services provided, which can lead to repeat business and referrals.

There are plenty of affordable and talented marketing agencies or consultants who could help you develop a simple marketing plan to help build your brand, design your website, establish a solid online presence, create effective messaging, work with local media, drive revenue, and increase case volume.

A well-thought-out marketing plan with clear objectives will help give a competitive advantage, manage reputation, and succeed long-term.

Key Process Steps

1. Gather current intel about any current marketing efforts, including social media channels, advertisements, letterhead, logo, colors, web analytics, etc., and any results achieved.

2. Analyze the data to assess the effectiveness of the marketing efforts. This involves comparing the results achieved against the marketing objectives set and the KPIs monitored.

3. Develop a marketing budget, including website maintenance and updates, online and offline advertising, printed marketing materials, and marketing consultants.

4. Develop a marketing plan, including clear objectives, the approved budget, a calendar of activities, key stakeholders, and more.

5. Review objectives on a monthly basis, potentially reallocating the budget, adjusting the marketing channels used, or revising the messaging.

Key Performance Indicators

1. Website traffic

2. Social followers

3. Website conversions

4. Patient reviews on Google, other sites

Benchmarking Data

How Your Website Can Drive Case Volume

Prospective Patient Visits Your Website → Prospective Patient Generates a Financial Estimate Using Your Online Calculator → ASC Staff Calls the Patient to Answer Questions → Prospective Patient Calls Their Doctor to Discuss Having Their Procedure at Your ASC → The Prospective Patient Now Becomes a Scheduled Patient
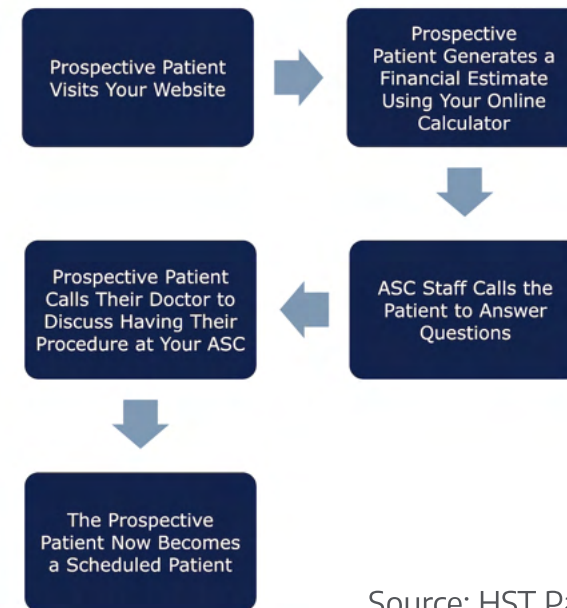
Source: HST Pathways

Best Practices

Payroll management is a critical function for any organization, including surgery centers. It involves calculating employee salaries, withholding taxes and deductions, paying employee salaries, and filing taxes with government agencies. Completing payroll accurately and on time is essential to maintain employee satisfaction, comply with legal requirements, and maintain the center's financial stability.

For maximum success, use specialized payroll software to automate the payroll process, reduce manual errors, and guarantee compliance with tax laws and regulations. Use software to maintain accurate and up-to-date employee records, including hours worked, overtime, and vacation days. Lastly, stay up-to-date with the latest legal and tax requirements to ensure compliance and avoid penalties.

Key Process Steps

1. Collect all necessary employee data, including hours worked, overtime, vacation days, and any other relevant information.

2. Use the payroll software to calculate the payroll. This includes calculating gross pay, deductions, and net pay for each employee.

3. Process the payroll using software. This includes generating paychecks or direct deposits for employees, withholding taxes, and paying any other deductions.

4. File the necessary taxes with the relevant government agencies.

5. Document the entire payroll process, including all data collected, calculations made, and payments processed. This will help in case of any audits or discrepancies in the future.

Key Performance Indicators

1. Error-free paychecks

2. Payroll processing time

3. Overtime percentage

4. Labor cost ratio (total expenses vs. overall expenses)

Benchmarking Data

Nursing Salary Frequency Distribution
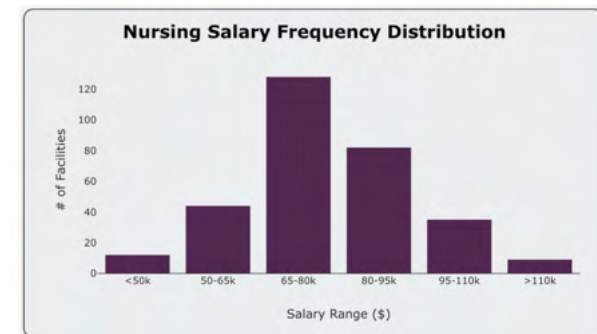
Hourly Salaries & Wages

Staff	Mean	Median
Nurse Staff	$37.46	$37.05
Tech Staff	$25.72	$25.31
Administrative Staff	$28.09	$27.27
All FTE	**$32.19**	**$32.03**

Source: VMG Health's Intellimarker

Best Practices

Financial management, planning, and budgeting are essential functions for the successful operation of a surgery center. They involve forecasting revenue and expenses, creating a budget, monitoring financial performance, and making necessary adjustments to ensure the financial stability and sustainability of the center. Reviewing these functions monthly allows the center to promptly identify and address any financial issues and make informed decisions supporting its overall objectives.

Using specialized practice management software, such as HST, to streamline the planning, budgeting, and monitoring process will ensure the accuracy and completeness of the financial picture and remove as much manual input and analysis as possible. Involving key stakeholders from the beginning, such as your board of directors, management groups, and administrative staff, will also make sure everyone has alignment and buy-in for the plan/budget. The last thing anyone wants during a board meeting or monthly financial review is for surprises to pop up!

Key Process Steps

1. Prepare the financial data. This includes gathering data on actual revenue and expenses for the month and comparing it to the budgeted amounts.

2. Analyze the previous month's financial performance and cash flow projections for the upcoming month, quarter, and year. This includes identifying any trends or issues that need to be addressed.

3. Based on the analysis, make any necessary adjustments to the financial plan and budget. This may involve revising revenue or expense forecasts, reallocating resources, or identifying cost-saving opportunities.

4. Review the financial performance, plan, and budget with key stakeholders.

5. Document the review, including the analysis, any adjustments made to the plan/budget, and any decisions made during the review with key stakeholders.

6. Implement any adjustments made to the financial plan and budget. This may involve communicating changes to relevant staff, updating financial management software, or taking other actions as necessary.

Key Performance Indicators

1. EBITDA

2. Revenue growth rate

3. Budget variance

4. Cash flow

5. Budget preparation timeline

Benchmarking Data

YTD YoY Net Revenue Growth by # of ORs

Source:
HST Pathways
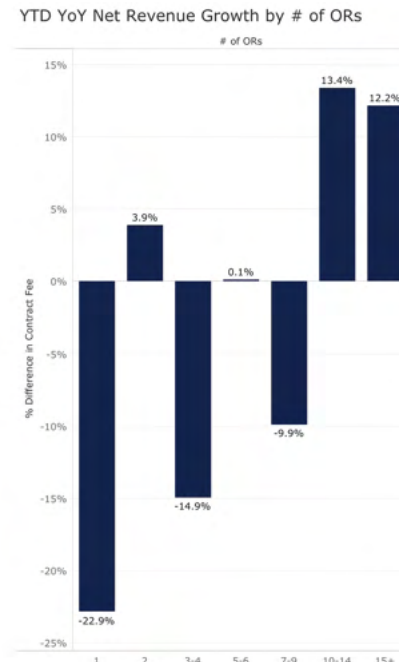
Hold Quarterly Board Meetings

Best Practices

Board meetings are an essential aspect of the governance of surgery centers. They provide a forum for the board of directors to discuss strategic issues, review financial and operational performance, ensure compliance with legal and regulatory requirements, and make important decisions that will impact the center's future. Holding board meetings on a quarterly basis allows the board to stay informed about the center's activities, address any issues promptly, and provide the necessary guidance and support to the center's management team.

While board meetings might not be the most exciting part of running a surgery center, you can make them most effective by preparing a detailed agenda, building in engagement, and rotating which board member runs the meeting every quarter. It is also critical that you record detailed minutes of the board meeting, including the discussions, decisions made, and any actions to be taken, and that you distribute the minutes to all board members after the meeting for their review and approval.

Key Process Steps

1. Prepare a detailed agenda for the board meeting and distribute it, along with any supporting documents, to the board members in advance of the meeting.

2. Make any necessary logistical arrangements for the meeting, such as securing a meeting location or setting up a video conference.

3. Conduct the board meeting according to the agenda. Encourage board members to ask questions, express their opinions, and engage in constructive discussions. Record detailed minutes of the meeting.

4. Distribute the minutes of the board meeting to all board members for their review and approval. Ensure that any action items from the meeting are followed up on in a timely manner and that the board is kept informed of the progress.

Key Performance Indicators

1. Attendance rates

2. Board diversity

Perform Infection Control Audits

Best Practices

Infection control is critical to patient safety and quality of care in surgery centers. Regular audits of infection control practices and procedures are necessary to obtain compliance with established standards and guidelines, identify potential areas of improvement, and prevent avoidable infections. These audits involve a systematic review of the policies, procedures, and practices related to infection prevention and control within the surgery center.

A comprehensive infection control audit typically assesses hand hygiene and personal protective equipment, injection safety and medication handling, equipment reprocessing, environmental cleaning, and handling of blood glucose monitoring equipment. You will need to develop an audit plan, use standardized tools, such as HST, and checklists to guarantee consistency, involve trained auditors, and include a mix of observation, interview, and documentation review to make sure you see a holistic view. To help get started or review your current processes, CMS offers an ASC infection control audit tool on its website, available for download.

Key Process Steps

1. Develop a comprehensive audit plan that includes the scope of the audit, the criteria to be audited, the methodology to be used, and the schedule for the audit.

2. Conduct the audit according to the audit plan. Use standardized tools and checklists to ensure a consistent and thorough approach. Include a mix of observation, interview, and document review in the audit methodology.

3. Analyze the audit findings to identify any areas of non-compliance or areas for improvement.

4. Follow up on items identified during the audit in a timely manner and make sure the necessary changes are implemented.

Key Performance Indicators

1. Infection rates

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Best Practices

Regularly reviewing patient satisfaction survey results is crucial for understanding the patient's perspective, identifying areas for improvement, and implementing necessary changes to enhance the patient experience. Conducting these reviews monthly or quarterly allows the surgery center to respond promptly to any issues raised by the patients and to track progress over time.

To turn your satisfaction scores into actionable improvements, you must use software to collect and aggregate patient feedback on your behalf so you can quickly identify trends, areas of strength, and areas for improvement. Your patient satisfaction results can also inspire your next QAPI study, and your software will make it incredibly simple for you to collect and analyze results from one period versus another.

Reminder: The OAS CAHPS survey will be required and linked to reimbursement in CY 2025 for ASCs. If an ASC does not conduct and submit OAS CAHPS as part of the quality reporting requirement, they will receive a reduction of 2.0 percentage points in their annual fee schedule update.

Key Process Steps

1. Collect survey data from patients on a continuous basis using a standardized survey instrument. Using automated texts or emails will increase your response rates and turnaround time.

2. Analyze your results using color-coded trend analysis, automated alerts and callouts, graphical dashboards, etc.

3. Share the results of the survey analysis with staff and stakeholders, including the board of directors.

4. Develop action plans to address any areas for improvement identified in the survey analysis.

5. Implement the action plans developed and monitor progress towards the goals set.

6. Review the effectiveness of the action plans implemented and adjust them as necessary based on feedback and ongoing monitoring.

Key Performance Indicators

1. Patient Response Rates

2. Net Promoter Score
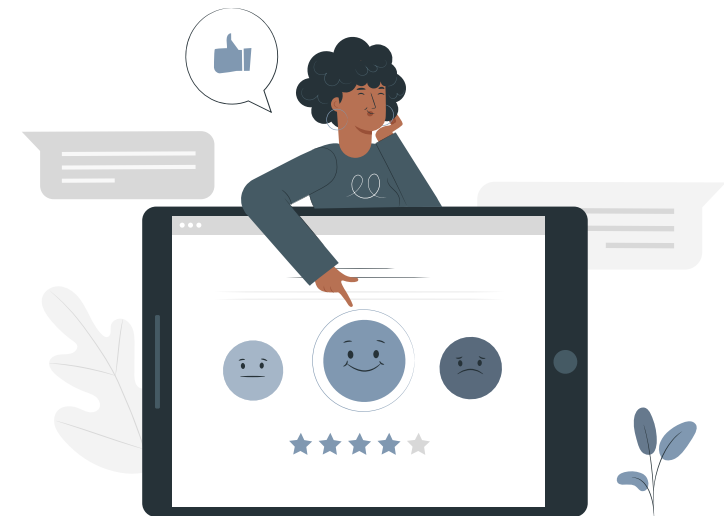
Regularly Recurring Operations:
Annual

- **Chargemaster Analysis**
- **Inventory Check**
- **Payor Contract Review**
- **Performance Management Reviews**
- **Prepare Annual Budget**
- **Vendor Contract Review**
- **Renew Licenses and Certifications**
- **Review Policies and Procedures**

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Best Practices

The chargemaster serves as a comprehensive listing of all billable services and items the surgery center provides. It plays a pivotal role in revenue cycle management, serving as the foundation for billing and coding processes. Annual updates ensure that billing remains compliant with current regulations, that all charges reflect the most recent costs and negotiated payer rates, and that the facility remains competitive and financially sustainable. Proper oversight and diligence in this process are paramount to ensuring the surgery center captures all revenue rightfully owed while avoiding potential compliance pitfalls.

When reviewing your chargemaster, most will build it based on a percentage of Medicare's reimbursement. You can perform the analysis yourself using a tool that is as simple (and free!) as Microsoft Excel or Google Sheets. However, leveraging technology solutions, like automated chargemaster management systems, such as HST, can help save time and reduce errors.

Key Process Steps

1 Start with a thorough review of the current charge master, noting any items that seem outdated, incorrect, or missing.

2 Review updates from CMS and other regulatory bodies to identify any required changes to coding, pricing, or billing practices.

3 Learn your contracts inside and out, as there might be increase limitations and other requirements.

4 Analyze the current market rates, payer contract terms, and the center's own cost structures to adjust pricing as necessary.

5 Before finalizing changes, test the updated charge master in your billing system to validate that all codes and charges are processed correctly.

6 Conduct training sessions to inform and educate relevant staff about changes to the charge master and its implications.

Key Performance Indicators

1 % of the cases you capture 100% reimbursement for (hint: if it's all of them, you are likely undercharging!)

2 Time it takes to perform an audit

3 Accuracy of audit

Best Practices

By conducting an annual inventory check, centers ensure they can maintain consistent patient care, optimize financial management, and streamline daily operations. A thorough inventory evaluation reduces the risk of overstocking or stockouts, enables accurate budgeting, and helps centers stay prepared for routine and unexpected scenarios. Furthermore, understanding inventory levels and usage trends can lead to better decision-making, reduced waste, and enhanced patient care.

Inventory management software, such as HST, can provide historical data to help you make informed decisions. The software can also track current inventory against your minimum and maximum stock levels to guide reorder points and prevent stockouts or over-purchases. While supply chain issues are certainly better than they were immediately following COVID-19 disruptions, fostering good relationships with suppliers and having various supplies to choose from will help with better purchase deals and timely delivery.

Key Process Steps

1 Gather previous records, decide on a date, and inform relevant staff. Ensure that operations can either be paused or managed around the inventory process.

2 Prepare tools and resources, such as inventory sheets, scanners, or dedicated software.

3 Assign teams or individuals to specific areas or categories.

4 Count every item on shelves, in storage areas, and in active-use zones. Document quantities and, where applicable, expiration dates.

5 Enter the physical count results into the inventory management system or database.

6 Match physical counts against recorded levels. Investigate discrepancies to determine if they are due to theft, loss, or clerical errors.

7 Examine inventory trends, consumption rates, and wastage. Adjust par levels and ordering practices as needed.

8 Share the results with management or leadership for insights, feedback, and future planning.

9 Based on the findings, refine or create inventory management guidelines.

Key Performance Indicators

1 # expired/unusable items

2 # of discrepancies between expected vs actual

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Best Practices

Payor contracts are arguably at the center of the revenue cycle process. These contracts, which determine reimbursement rates and terms for services rendered, significantly influence a surgery center's financial health and viability. An annual review and potential renegotiation of these contracts enable centers to ensure that they receive fair compensation for their services, adapt to changing market conditions, and continue to offer top-tier care to patients. Beyond financial implications, these contracts also impact operational protocols, patient access, and the center's relationship with insurance providers.

To get the best possible rates, your financial team must analyze and track the performance of your current contracts in real-world scenarios to determine if they are meeting expectations. Gathering external intel, such as industry standards, reimbursement trends, and regional benchmarks, will help to understand where your contracts stand in the larger market. Lastly, there is still a benefit to cultivating a rapport with payor representatives, which can lead to more collaborative and transparent negotiations, so make sure to put a little extra time into building those relationships!

Key Process Steps

1. Begin by collecting all current payor contracts and organizing them for review.

2. Evaluate the performance of each contract by looking at reimbursements, denials, delays, etc.

3. Investigate current industry standards and reimbursement rates, especially for similar procedures and in comparable regions.

4. Determine what you aim to achieve with the renegotiation, whether it's higher reimbursement rates, better terms, or other specific goals.

5. Reach out to payor representatives to initiate the renegotiation process. Express your concerns, present your data, and share your objectives.

6. Before finalizing, have the renegotiated contract reviewed by legal counsel to ensure its terms are clear, enforceable, and in the center's best interests.

7. Once both parties agree and the contract is signed, communicate the new terms to all relevant staff members and update any systems or processes as necessary.

Key Performance Indicators

1. Time spent

2. % renewed vs. canceled

3. % change in fees

Benchmarking Data

Mean Payor Mix - Percent of Total Cases
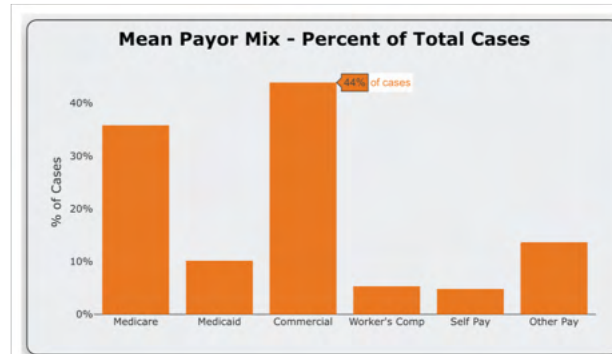
Payor Mix as a Percent of Cases

Payor	Mean	Median
Medicare	36%	34%
Medicaid	10%	7%
Commercial	44%	44%
Worker's Comp	5%	3%
Self Pay	5%	3%
Other pay	14%	8%

Source: VMG Health's Intellimarker

Performance Management Reviews

HST Pathways™

Best Practices

Performance Management Reviews (PMRs) help recognize and reward good performance, identify and address performance issues or areas of improvement, support professional growth and development, and enhance communication between managers and employees. When done correctly, PMRs can be a powerful tool to motivate employees, drive productivity, and foster a culture of continuous improvement. To be effective, all parties must perceive the process as fair, transparent, and constructive.

The most successful PMRs set clear objectives, maintain consistency, provide constructive feedback, and encourage open dialogue. Making the review process a two-way conversation where employees can share insights, concerns, and aspirations is key. PMRs can help with staff satisfaction, retention, and recruitment.

Key Process Steps

1. Gather data related to the employee's performance, including previous reviews, patient feedback, peer reviews, and any relevant metrics or KPIs.

2. Set a specific date and time for the review, ensuring both the reviewer and employee can attend without distractions.

3. Go over the employee's achievements, areas of improvement, and any discrepancies between expected and actual performance.

4. Ask employees for their views on their performance, their role, and any challenges they face.

5. Based on the discussion, set targets and objectives for the upcoming year and suggest any training or skill development programs.

6. Record the details of the review, including observations, feedback, and goals.

Key Performance Indicators

1. Staff Net Promoter Score

2. Retention rates

3. Promotion rates

Benchmarking Data

18% of ASCs reported turnover rates > 20% in 2020

35% reported a generally higher turnover rate in 2020 than 2019

Source: Becker's ASC

Prepare Annual Budget

Best Practices

A well-prepared budget is more than just numbers on a page – it's a roadmap, guiding centers in their financial decisions and providing a tool to measure financial health. It forecasts potential challenges, optimizes resource allocation, and establishes a clear financial trajectory that aligns with the center's goals. In essence, the annual budget ensures that surgery centers can continue providing premier care without compromising operational viability.

The annual budget is typically presented to the board in October for the following year. While preparing, administrators should engage key stakeholders from various departments, review past budgets and financial outcomes, identify essential expenses, and account for upcoming projects, expansions, or other initiatives that may impact the budget. Remember to allocate funds for unforeseen expenses or emergencies.

Key Performance Indicators

1. Budget variance

2. Year-over-Year Growth

3. Net Profit Margin

4. EBITDA

Key Process Steps

1. Compile data from the previous year, including revenues, expenses, patient volumes, and any other relevant financial metrics.

2. Organize discussions with department heads and key personnel to gather input on anticipated needs, challenges, and growth opportunities.

3. Create a preliminary budget detailing projected revenues and expenses.

4. Subject the draft budget to rigorous scrutiny, identifying potential inefficiencies or areas that may have been overlooked.

5. Present the budget to the governing board and physician owners for review and approval.

6. Once approved, distribute the budget to all relevant departments, ensuring they understand their financial parameters.

7. Track actual revenues and expenses against the budgeted amounts, identifying any discrepancies.

Vendor Contract Review

Best Practices

Vendor contracts form the backbone of many essential services and supplies that surgery centers rely on daily. Regularly revisiting your vendor agreements ensures that you receive the best value and competitive pricing, make sure you're not spending unnecessary budget, maintain compliance with regulatory standards, and align vendor relationships with the center's strategic goals.

Leading surgery centers use vendor management software, such as HST, typically built into your practice management software, to have a centralized repository for all vendor-related information, ensuring easy access and management of contracts, contact details, pricing, and historical data. The software will also help you mitigate risk, identify opportunities for bulk purchases, automate manual processes, and provide real-time analytics and reporting.

Key Process Steps

1. Create a comprehensive list of all active vendor contracts within the center (ideally within your vendor management software).

2. Rank contracts based on their value, impact on operations, and upcoming expiration dates.

3. Assess the performance of each vendor against the contract's stipulations and any additional criteria that are important to you.

4. Gather input from staff and departments that frequently interact with the vendor or use their services/products.

5. Evaluate current contract terms against market standards to identify potential areas of renegotiation.

6. Approach vendors with findings and open discussions for potential renegotiations, aiming for improved terms or pricing.

7. Revise contract terms as needed, ensuring all changes are documented.

8. Submit the revised contracts for appropriate approvals within the center and renew agreements as needed.

Key Performance Indicators

1. % renewed vs canceled

2. % change in cost

Renew Licenses and Certifications

Best Practices

It's essential for surgery center administrators to be familiar with local, state, and national regulations and to maintain a calendar or tracking system for all required renewals to ensure continuous compliance. Regular renewals of these licenses and certifications affirm the center's commitment to excellence, protect against legal repercussions, and provide uninterrupted service to patients.

Requirements will vary depending on your exact location. Still, a few examples of licenses and certifications to maintain would be your Certificate of Occupancy, State Department of Health license, accrediting body (JCAHO, AAAHC, AAAASF), CLIA Certificate of Waiver, or DEA license. It's also important that your administration obtains enough Continuing Education and AEU credits to maintain CASC certifications, if applicable.

This annual process will be much smoother if you use specialized software, such as HST, to notify you of approaching renewal dates or changes in requirements.

Key Process Steps

1. List all existing licenses and certifications, noting expiration dates and any specific renewal requirements.

2. Regularly review state and local websites for changes in licensing and certification requirements. Join your state ASC association for updates.

3. Implement a notification system that alerts the responsible individual or team of upcoming renewal dates well in advance.

4. Assemble all required documentation, reports, and records necessary for each renewal.

5. Complete and submit renewal applications, ensuring they are accompanied by any necessary fees and documentation.

6. Regularly check the status of submitted renewals and respond promptly to any requests for additional information.

7. Once renewed licenses or certifications are received, store them securely and update digital records.

Key Performance Indicators

1. Certification renewal rate

2. % expired

Best Practices

Policies and procedures for a surgery center serve as guiding documents to ensure patient safety, adherence to legal and ethical standards, and standards of operation. Specific policies and procedures can vary based on the type of surgeries performed, the location, and the regulatory environment. Each accrediting body also has its particular standards and requirements, but all strongly emphasize comprehensive, well-documented, and well-implemented policies and procedures.

Your policies and procedures must follow suit as your surgery center evolves and grows. Over the year, you might implement an EHR, adjust pain management protocols, improve your fire safety and evacuation plans, update employee vaccination requirements, or change your family visitation policy. Those are just a few examples of reasons you would need to update your policies and procedures.

Key Performance Indicators

1. # of policies/procedures that need to be updated

2. Staff policy acknowledgement rate

Key Process Steps

1. Begin by collecting all existing P&Ps and creating an index of documents due for review.

2. Collate recent changes in regulations, industry standards, and within your surgery center that might influence P&Ps.

3. Engage with different departments and teams to gather feedback on existing P&Ps.

4. Draft necessary changes or additions to the P&Ps.

5. Have all necessary parties review (e.g., legal counsel, quality committee, executive committee).

6. Distribute the updated P&Ps to all relevant staff, ensuring old versions are archived.

7. Organize sessions to train staff on new or modified P&Ps, ensuring everyone is aware of and understands the changes.

8. Store the updated P&Ps securely, both digitally and in physical form, ensuring proper version control.

Closing Message

Thank you for taking the time to read through our report. We hope you walk away with many insightful and actionable tips to continue providing excellent patient care in a way that is efficient and profitable.

Operating a successful ASC is not the same as it was a decade ago or even five years ago. The industry is undergoing transformative changes, shaped by factors such as regulatory changes, technological advancements, evolving patient expectations, and economic pressures.

Leading surgery centers, with their finger on the pulse of these changes, recognize the emerging challenges. **They understand traditional methods will no longer cut it**, and a proactive approach is essential. HST Pathways is committed to riding this wave alongside our clients and partners, and we will navigate whatever the future holds together.

About HST Pathways
HST Pathways is the leading provider of a suite of products that have been thoughtfully and clinically designed for the surgery center industry. Our many software offerings provide ASCs with intuitive solutions that cover the entire patient journey and help to unlock revenue, fuel growth, and deliver better care. Build, grow, and run your facility with solutions your entire team will love. See why more than 1,600 clients are choosing HST Pathways by visiting https://www.hstpathways.com/.

Center OR Block Utilization - Excludes Non-Block Time
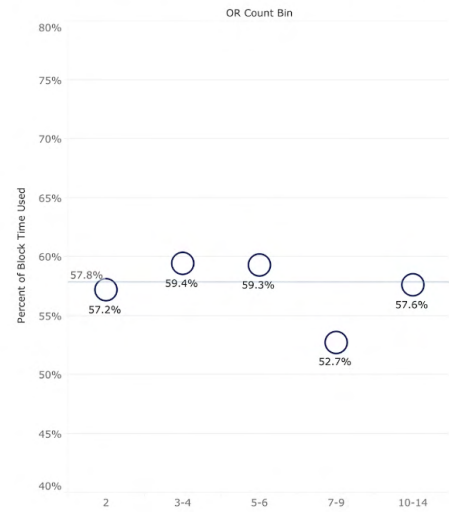
Insurance Pre-Authorization Rate by Center / Insurance Verification Rate by Center
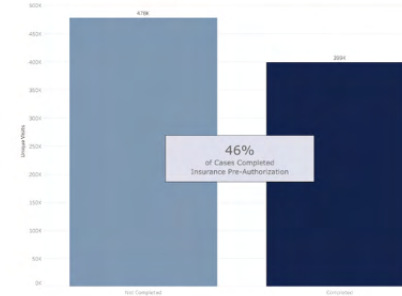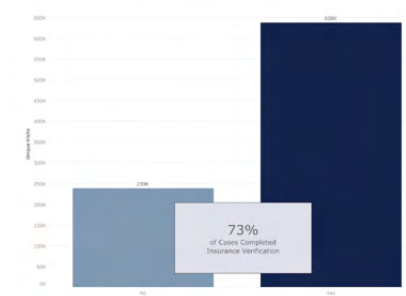
Case Cancellation Rate — Includes Participating Centers with Complete Data; Q1 & Q2 2023

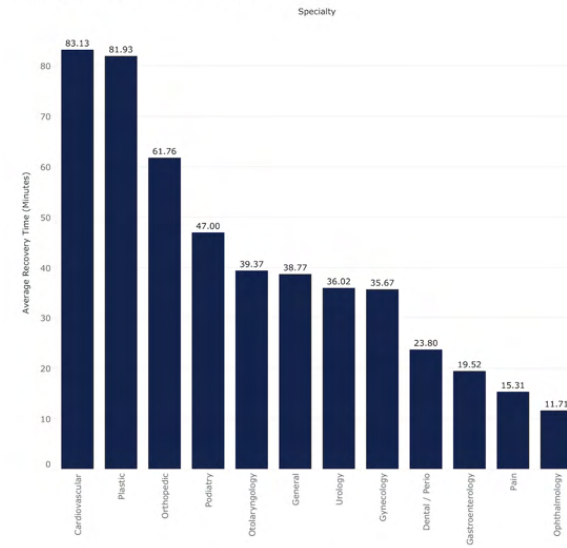Patient Deposit Collection Rate — Includes participating centers with completed data; Q1&Q2 2023

Data Summary:
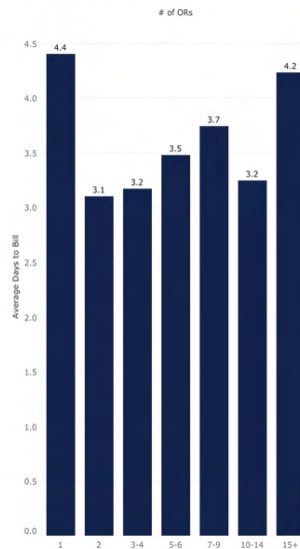## Sourced Exclusively through HST Pathways' Products
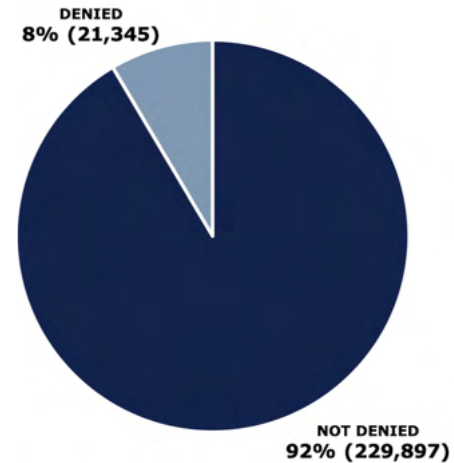

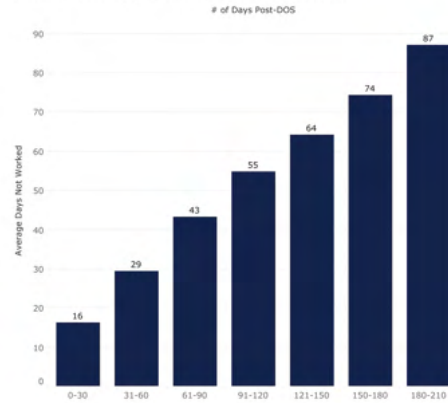Average OR Duration by Specialty
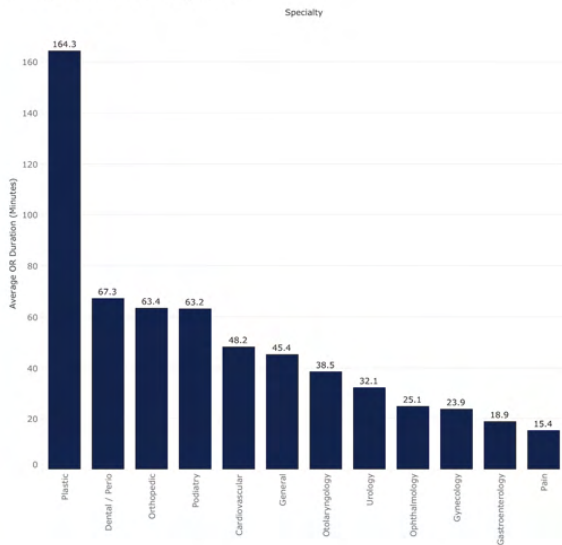
Average Recovery Time by Specialty

Days to Bill by ORs

Claims Denied

DENIED
8% (21,345)

NOT DENIED
92% (229,897)

Data is a representative subset of claims processed through HST's software during part of 2023.

Data Summary:
Sourced Exclusively through HST Pathways' Products

Methodology
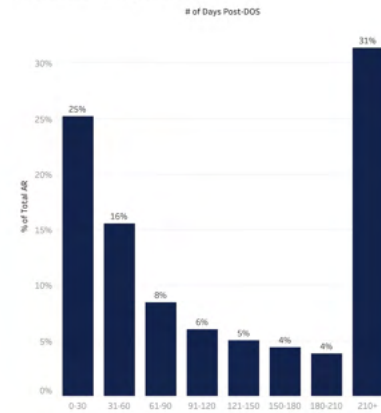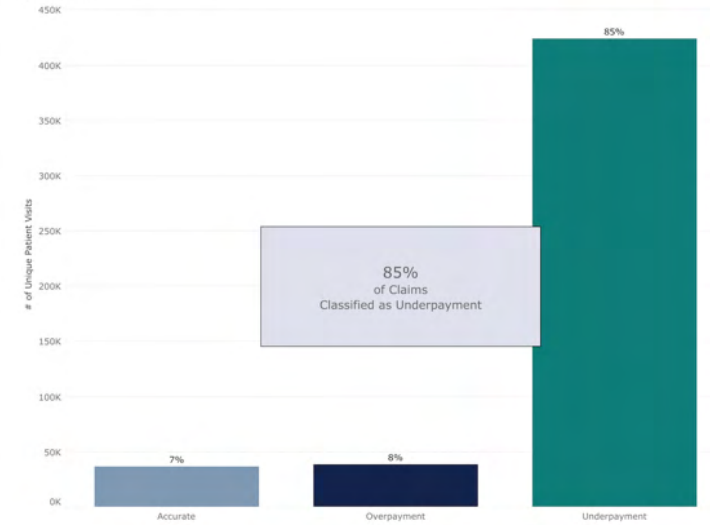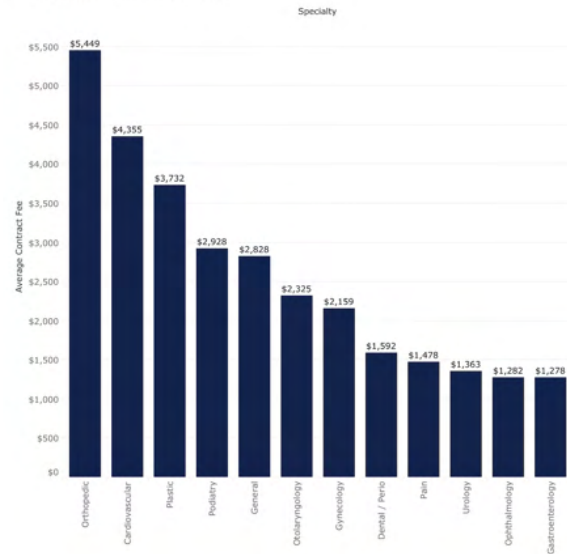
This report was thoughtfully put together using industry research, conversations with clinical experts, data from industry publications, and data from HST Pathways' products.

In the instances where benchmarking data was pulled from HST Pathways' data warehouse, the conclusions shared were analyzed for cases scheduled during Q1 and Q2 2023 and sourced from 450+ Ambulatory Surgery Centers across the United States, covering 45 states. For some metrics with incomplete or missing data, cases and centers were excluded from the dataset. Lastly, to identify the specialty associated with a case, primary CPT codes were mapped accordingly.

State of the Industry Report: Best Practices & Proven Data for Optimizing ASC Operations

Published October 2023

Gain access to a digital version of this report, explore a wealth of additional insights, and unlock more strategies for your surgery center by visiting www.hstpathways.com.

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