

# Opening a New Surgery Center: Timeline for Success

Each situation is unique, but here's a typical timeline from initial discussion to opening day, based on our experience with thousands of ASCs. Since states have different regulatory and certification requirements, it's advisable to consult a local expert for guidance. In this timeline, "opening day" is when you're eligible to start your first of ten cases for accreditation.

## 24 Months: Feasibility Assessment

- Physician Recruitment & Commitment
- Research Your Market & Medicare Rates
- Financial Projections/Pro Forma
- Legal & Governance Structure
- Market Demand
- Certificate of Need
- Hire ASC Consultants

## 20 Months: Building Selection

- Real Estate Structure (Lease vs. Buy)
- Assessment & Planning
- Interview ASC Architects
- Construction Bids
- Inspection & Permits

## 16 Months: Regulatory Process

- Understand State Licensing Rules
- Choose Accreditation Body and Submit Application
- Submit CMS-855B Application
- Medical Staff Credentialing & Privileging
- Life Safety: Fire Safety, Emergency Preparedness, NFPA Code Compliance, etc.

## 9 Months: Payor Contracting

- Prepare Documents (Medicare Rates, Other Local ASC Rates, etc.)
- Identify ASC-Specific Negotiators Per Payor
- Begin Negotiations for Rates & Terms
- Understand Pros/Cons of In-Network/OON

## 8 Months: Quality/Clinical Prep

- Software Selection (clinical operations, scheduling)
- Quality Reporting
- Initial Clinical Hires
- Staff Recruitment (RNs, LPNs, Techs)
- Identify Anesthesia Partners

## 6 Months: Business Prep

- Certificate of Occupancy
- Software Selection (financial management, patient estimates & payments, data & analytics)
- Determine Revenue Cycle Process (outsource, keep in-house, software)
- Capital Equipment
- Vendor Contracts
- Purchasing Supplies, Medical Equipment, Office Equipment
- Hire Business Office Staff

## 1-5 Months: Final Checks

- Receive Closeout Documents from General Contractor
- Finalize Policies & Procedure
- Final Compliance Review
- Current Staff Training + Hire Final Staff Members
- Verify Billing Processes
- Emergency Protocol

## State Licensure is Obtained

- Complete 10 Cases for Accreditation
- Schedule Surveyor to Observe Surgery
- Obtain Medicare ID #
- All Payer Contracts Live

## Opening Month

- Local Marketing
- Community Education
- Host an Open House
- Schedule Media Coverage

## Continuous Improvement

- Physician Recruitment
- QAPI
- MEC
- Benchmarking
- Patient/Physician Satisfaction
- New Technology

### Looking for more resources & support?

Access even more content and see why new surgery centers love HST's software for financial management, clinical operations, patient estimates & payments, scheduling & collaboration, and data & analytics: [www.hstpathways.com/new-asc](http://www.hstpathways.com/new-asc).



# Opening a New Surgery Center: A Few FAQs



## What am I looking for in the Pro Forma analysis?

The first key to success is identifying projected case volumes, specialty mix, and scheduling needs for each physician. The second key is understanding reimbursement rates in your market. If you're not above the breakeven point or physicians are wavering on their commitment, those are likely red flags.

## Do I need to hire a consultant?

It is strongly advised that you use ASC-specific consultants with proven track records. Otherwise, you risk getting to the point where your ASC is fully developed, but you are missing critical items to pass licensure, get accredited, bill for services, etc. There are CON consultants, payor contracting consultants, independent mock surveyors, capital equipment specialists, and more.

## What are common errors made?

The hardest part is finding the sweet spot of the right number of committed physicians, not overbuilding, and setting yourself up to scale over time as needed.

### Listen to the "Opening An ASC" Podcast Series with ASC Experts + Owners

- [Best Practices for Opening a New Surgery Center](#)
- [Conducting a Comprehensive Feasibility Assessment](#)
- [Navigating Payer Contracts](#)
- [Managing the Regulatory and Certification Process](#)
- [Clinical Preparation](#)
- [Finding Your Dream Team](#)
- [Business Preparation](#)
- [30 Days From Your First Patient](#)
- [Continuous Improvement](#)
- [Choosing the Best Option: Opening an ASC, OBL, or Hybrid-Facility](#)
- [Successfully Converting HOPDs to ASCs](#)

**Listen: [hstpathways.com/podcast](https://hstpathways.com/podcast), or, search "This Week in Surgery Centers" on any podcast player.**

## How can I best negotiate payor contracts?

Your initial contracts set the tone for years to come. There are four data points you can bring to the table, 1) Medicare's standard rates, 2) your costs per case plus an added margin, 3) your market rates, and 4) the number of cases you're migrating from the inpatient to outpatient setting and what you are saving the payor.

## When do I start evaluating software?

Begin evaluating software vendors around eight months from your goal open date. We recommend giving yourself 3 months to evaluate and select a software vendor, and then it typically takes 2-4 months to get the software fully implemented. If you give yourself a month of cushion in case things run over, then this puts you at our recommended start time. Our clients have seen great success with this process.

### Read Helpful Articles on How to Grow & Succeed

- [How to Get Your First 1,000 Patients](#)
- [How Technology Improves Cash Flow and Staffing Efficiency in ASCs](#)
- [Three Metrics to Drive Your Growth Strategy](#)
- [Cardiovascular & Orthopedic Procedures See Highest Reimbursements](#)

**Read: [hstpathways.com/blog](https://hstpathways.com/blog)**

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