

ASC FOCUS

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INSIDE »

CARDIOLOGY MOVES INTO
THE ASC SETTING

MALIGNANT HYPERTHERMIA
PREPARATION FOR ASCs

MANAGING THE PATIENT EXPERIENCE



WHAT'S IN STORE THIS YEAR?

*Opportunities and challenges
facing the ASC industry*

ASCA Ambulatory Surgery
Center Association

ASCs to Experience Growth and Providers in Short Supply

Join Sg2 at ASCA 2020 to learn more

BY AMANDA OLDEROG



The Sg2 Impact of Change (IoC) forecast, updated annually, uses proprietary impact factors to project 10-year patient demand across inpatient and outpatient services, allowing health system leaders to more accurately anticipate future opportunities and risks. Our 2019 IoC forecast indicates that inpatient procedure volumes will remain flat over the coming decade but all ambulatory sites, including hospital outpatient departments (HOPD) and ASCs, will experience robust expansion. ASCs will see the highest growth but also will be challenged by provider shortages across multiple specialties.

During my presentation “Procedure Centers of the Future: Lower-Cost, Lower-Acuity Settings” at ASCA 2020 in Orlando, May 13–16, I will discuss growth trends in the outpatient settings and the driving factors behind these trends.

The timing, extent and final destination of procedural site shifts will be driven by a unique blend of market and specialty-specific factors that might speed up or slow down the transition to lower-cost sites of care: payer actions, provider relationships (ASC ownership/employment), facility/location/infrastructure realities, technology and consumerism. When one of these factors looks to push procedures to a lower-cost site, underlying dynamics might slow that move. For example, when the Centers for Medicare & Medicaid Services (CMS) removes a procedure from the inpatient-only list, the result might not be a rapid outpatient shift; access to an ASC or inability to break even under the current payment arrangement might limit transitions. Understanding drivers of procedural shifts and service line trends allows organizations to adapt rapidly and realize significant opportunities. There is one trend, however, that crosses special-



ties, hits ASCs especially hard and promises to redefine ambulatory procedure care: provider shortages.

Robust demand for ambulatory procedure services combined with the increasing ability to disconnect from the acute-care setting increases the attractiveness of independent groups for mergers, private equity investment and payer relationships. Historically, “challenged” relationships between hospitals and independent surgeons might make hospital employment unattractive to physicians, but notable changes with how early-career surgeons want to practice medicine and the rise of physician burnout signal the sta-

tus quo is not ideal. Successful organizations will design sustainable systems that provide meaningful work with economic benefit and support physician quality of life through multi-faceted solutions. Examples include technology optimization, flexible scheduling, compensation and incentive agreements that support work-life balance, presence of tools to promote self-care, and physician training and support for resilience, mindfulness and work-life balance strategies.

Growth, Growth and More Growth: A Look by Specialty

Dramatic and transformational growth over the next decade in the outpatient procedures space is driven by:

- the aging, obese population;
- technology advances;
- improvements in anesthesia and postop care;
- increased demand for access and convenience from Baby Boomers looking to maximize quality of life as age-related conditions become more prevalent; and
- demands for value from payers, self-insured employers and patients.

ADD THIS SESSION TO YOUR SCHEDULE

“Procedure Centers of the Future: Lower-Cost, Lower-Acuity Settings” will take place 4:15–5:30 pm on May 14. Review the complete schedule on the ASCA 2020 Conference & Expo website.

ascassociation.org/annualconference/schedule

Gastroenterology procedure demand will be robust over the next decade, driven by increases in upper GI endoscopy to diagnose and treat esophageal diseases, including gastroesophageal reflux as a result of obesity. Direct-to-consumer stool-based screening tests, e.g., Cologuard, and increasing awareness of young-onset colorectal cancer will drive volumes in diagnostic services, e.g., colonoscopy, sigmoidoscopy.

Urology will see a significant shift in volume from the inpatient to outpatient settings, driven by improvements in minimally invasive and noninvasive treatments for various urological conditions. The overall demand for urological services also will increase during this time as the US population ages.

The growing older population and prevalence of chronic conditions, such as diabetes, will drive up demand for

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—Amanda Olderog, Sg2

outpatient ophthalmology services by 18 percent by 2029, predominantly among patients covered by Medicare and Medicare Advantage. Prevalence of age-related macular degeneration, cataracts and glaucoma will rise. Demand for chronic eye disease services also will increase due to diabetic retinopathy, which affects approximately one in three diabetic patients.

Sg2 analysis finds that approximately 50 percent of outpatient orthopedic procedures comfortably performed in the ASC setting—e.g., carpal tunnel release, trigger finger release, anterior cruciate ligament repair—continue to be performed in the HOPD. The proportion of orthopedic procedures performed in the ASC is poised to grow rapidly as payment barriers for total joint replacement in the ASC diminish, bundled payment and value-based care efforts escalate, and quality comparisons between the ASC and HOPD arise to challenge the HOPD price differential.

I look forward to discussing more at ASCA 2020. ‹‹

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