



# Ohio Association of Ambulatory Surgery Centers Surgery Center Update

## **SPECIAL OPEN DOOR FORUM:** Revised Payment System for Ambulatory Surgery Centers Tuesday, July 31, 2007 • 2:00 PM – 3:30 PM EDT *Conference Call Only*

The Centers for Medicare & Medicaid Services (CMS) will host a Special Open Door Forum on CMS-1517-F, "Revised Payment System for Services Furnished in Ambulatory Surgical Centers (ASC) Payment System and Calendar Year 2008 Payment Rates" and the ASC-related portion of CMS-1392-P, "Proposed Hospital Outpatient Prospective Payment System and CY 2008 Payment Rates, Proposed Ambulatory Surgical Center Payment System and CY 2008 Payment Rates." The final rule adopts the payment policies for the revised ASC payment system to be implemented January 1, 2008. The proposed payment rates for ASCs for CY 2008 are included in the combined OPPS/ASC proposed rule since the ASC payment rates are based on the OPPS relative payment weights. The final CY 2008 ASC payment rates will be published in a combined CY 2008 OPPS/ASC final rule later this fall. The revised ASC payment system will be implemented January 1, 2008.

**To participate:** Dial: 1-800-837-1935 & Reference Conference ID: **6982411**

Note: TTY Communications Relay Services are available for the Hearing Impaired. For TTY services dial 7-1-1 or 1-800-855-2880 and for Internet Relay services click here <http://www.consumer.att.com/relay/which/index.html>. A Relay Communications Assistant will help you.

**Audio Replay:** An audio recording of this special forum will be posted to the Special Open Door Forum Web site at [http://www.cms.hhs.gov/OpenDoorForums/05\\_ODF\\_SpecialODF.asp](http://www.cms.hhs.gov/OpenDoorForums/05_ODF_SpecialODF.asp) and will be accessible for downloading beginning August 3, 2007.

For Forum Schedule updates, Listserv registration and Frequently Asked Questions please visit the CMS Web site at <http://www.cms.hhs.gov/OpenDoorForums/>.

### **OAASC Board of Directors**

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### **OAASC Office**

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## **OAASC Q&A — Share Your Industry Expertise**



Have you checked the Keyword Query section of the OAASC Web site lately? Here is a sample of the recently posted inquiries:

- Does anyone have a transcription company they would recommend?
- I am interested in finding out what current policy or guidelines ASCs use for sleep apnea patients.
- Our Center is in the process of adding a pain management program and is concerned about the proposed Medicare changes.

Is anyone currently using or considering an under arrangements model of reimbursement? Any information, pros/cons, would be appreciated.

To view these and others questions, or to add your own input, visit [www.oaasc.net](http://www.oaasc.net) today! Questions and answers/comments will be left online in order of submission with the ability to do a search by keywords. If you have any questions while completing the member query process do not hesitate to call headquarters for assistance at 614-358-0177 or email at [Natalia.Mews@shcare.net](mailto:Natalia.Mews@shcare.net)

## Ohio Department of Health Hosts Quarterly Provider/Supplier Update

Earlier this month, ODH hosted their quarterly provider/supplier update. The brief meeting covered a range of topics, including post-survey revisit user fees, initial licensure and certification survey process, CMS updates to NPI information, CMS Survey and Certification Group clarification on generators in an ASC, and infection control practices.

**Post-survey reviews:** Providers have been asking ODH for clarification on when and how often such post-survey revisit user fees may be assessed; they clarified that this only applies to citations, substantiated complaints, etc. Reviewing past history for this type of application, the high number of potential user-fee levies would have been 366 Ohio providers in 2003, with the low number at 275 Ohio providers in FY 05. (That is, the entire scope of possibility, or ceiling, for a post-survey revisit user fee in these years would have been this number; that's not necessarily to say they all would have gotten a fee applied. Further, these numbers are for all ODH licensed providers, not just ASCs.) Within specific provider types, 60% of new certifications for ASCs would have been eligible to have a PSR fee applied over this period. The range is from a low of 14% for hospitals to over 80% for hospice.

**Initial licensure and survey process:** ODH acknowledged that Palmetto is significantly behind in their processing. They merged two offices into one site without increasing the staff at the remaining site. ODH did not have up-to-the-minute information for ASCs, but for comparison's sake, they are currently processing Home Health 855's from 2006. In response to many questions they have received on this, ODH offered the following clarifications:

ODH cannot process an application for Medicare certification until your NPI enrollment is approved; the NPI number must be there. You may send both in at the same time, but ODH cannot issue a user ID and password until they receive the approved application and approved enrollment. The survey will then be scheduled in four to six weeks for your initial licensure, or 6 to 8 weeks for initial certification (these time frames are guidelines only, and they are the times they are currently running, assuming no backlog develops in the future). ODH has been having an increased number of facilities not ready for their survey when they send a letter of readiness. Lately ODH has been arriving in as soon as 2 to 4 weeks and finding facilities are not ready. They remind us that facilities really need to be ready at the time you send your letter of readiness.

Generally, it takes CMS 30 days to send their approval letter once they get sign-off from ODH; the CMS Certification Number (CCN) effective date is usually the date of exit if there are no standard deficiencies; if corrective measures are needed, it is the date they find no issues of correction. CMS is currently 8-10 weeks behind in issuing CCN numbers. ODH acknowledges this poses a problem for determining effective dates for Medicare certification. Once a facility has their deemed status survey done, and sent their application and enrollment, the facility may think they are home free — but they are not. For all ASCs, the effective date is the date the 855 is processed; not the date of your survey. ODH cautions all facilities to not “put the cart before the horse,” you could end up holding the bag for any Medicare patients you see between then and receipt of your approval. Further questions can be directed to Pat Miller, ODH certification unit, at (614) 752-8832.

### Deadline for 2nd Quarter Benchmark Reporting is August 15!

Benchmarking is the best way to compare your surgery center with other centers. While there are national benchmarking utilities, they usually compare your facility to a national average. The OAASC benchmarking tool is distinctive in that it provides regional data for specific specialties. To put this tool to work for you, visit [www.aaasc.org](http://www.aaasc.org). For additional questions or information please contact Bob Kartavich at OAASC Headquarters; 614/358-0177 or [bk@shcare.net](mailto:bk@shcare.net)

### SAVE THE DATE! OAASC Annual Multidiscipline Conference

Sept. 19-21 • Cherry Valley Lodge, Newark OH

Join us for the OAASC 4th Annual Multidiscipline Conference: 2007 Cherry Valley Educational Retreat featuring Lolita Jones, Kathy Bryant and more! Be sure to watch your email and [www.aaasc.net](http://www.aaasc.net) for upcoming registration information! Questions? Call the OAASC office at 614/358-0177. We look forward to seeing you there!

## ASC Coalition Produces Industry Trend Report

The ASC Coalition recently introduced its industry report: *Ambulatory Surgery Centers: A Positive Trend in Health Care*. OAASC regularly contributes to the Coalition, so this is an excellent example of your membership dues at work! The report is an impressive collection of articles, facts and statistics that illustrate the many advantages of ambulatory surgery centers. Some of the topics covered in the feature segments include:

- A Progressive Model for Surgical Services
- ASCs Allow Physicians to Work Efficiently
- ASCs are Highly Regulated to Ensure Quality and Safety

- Specific Federal Requirements for Governing ASCs
- The ASC Industry is Committed to Reporting Quality Measures
- ASCs Provide Care at Significant Cost Savings
- ASCs Improve Patient Choice, Demand for ASCs Grows

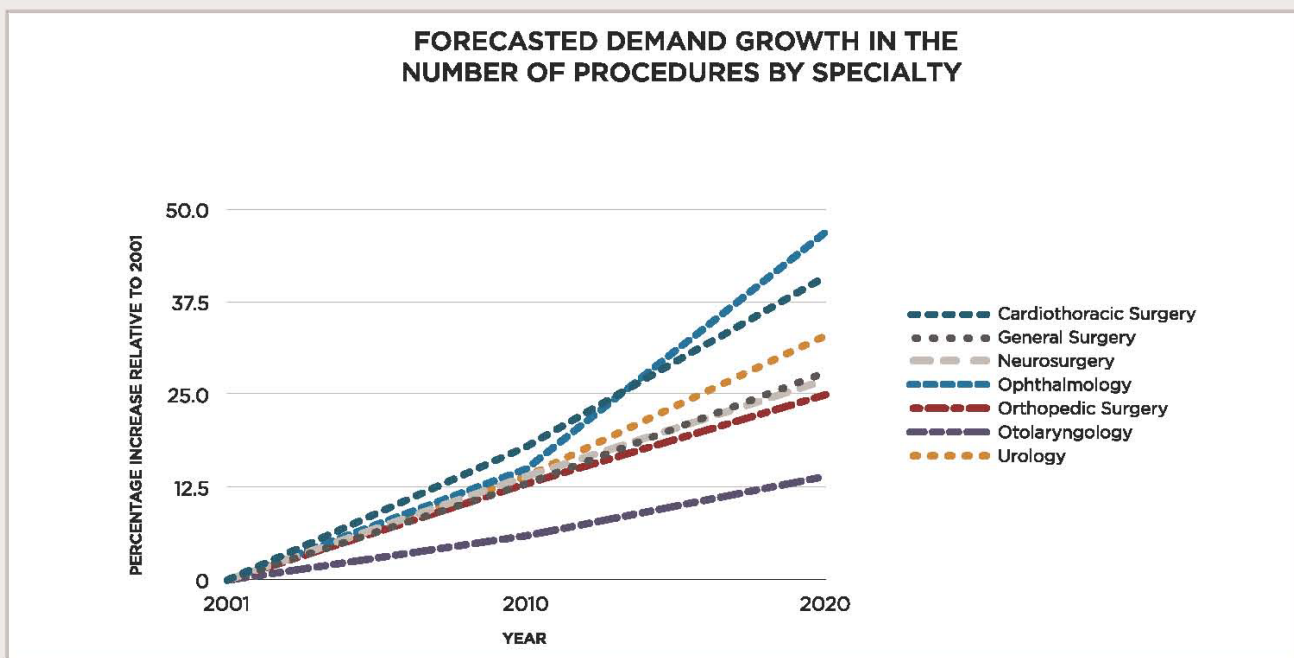
This document is an excellent tool for educating the public about the importance of our industry and its growth. A segment of a sample page from the report is shown below.\* To access a full copy of the report please visit the members only section of [www.oaasc.net](http://www.oaasc.net) under “monthly news.” Please feel free to print it and share it with those around you!

### ASCs ALLOW PHYSICIANS TO WORK EFFICIENTLY

A recent analysis examined the impact of the aging population on the demand for surgical procedures and attendant need for surgical subspecialists. This study concluded that the aging population would be a major force in driving significant growth in the demand for surgical services. The forecasted growth in work by the year 2020 varied from 14 percent to 47 percent, depending on specialty.<sup>3</sup> Meeting these surgical needs will be a challenge. Solutions include increasing the number of surgical

residency positions, increasing the workloads of surgeons in the workforce, and improving the efficiency of surgeons.

Utilizing settings that allow physicians to practice efficiently will help mitigate the impact of the aging population on the anticipated shortage in the surgery workforce. ASCs offer physicians the ability to work more efficiently and are therefore uniquely positioned to play an important role in managing the increased need for surgical services as it arises in the years ahead.



\* excerpt reprinted with permission of the ASC Coalition

See the full report at [www.oaasc.net](http://www.oaasc.net) in the members only section under monthly news.

## Credentialing Corner

*Don O'Malley is the Director of PCS Credentialing Services.*

*Credentialing Corner is an interactive monthly feature offering information and insight to the credentialing world.*



Are your medical Directors / Department Chairs getting tired of reviewing a pile of documents on each provider that is being processed for recredentialing? I bet they are!!!

Do you have the “entire” credentialing / medical staff file for each provider being presented at the next board / committee sitting on the desk or table when the reviewer starts there process?

Have you been doing this so long that you know the concerns of both the committee and the Medical Director / Department Chairs? I bet that the answer to all three questions is “Yes.” Now, what can you do about it?

When you review these files, you consider the standard question responses, review the query responses, and ensure that the statements needed are in the file. Why not provide the review as a summary of the contents and avoid redundancy?

The form on the following page was developed to provide a summary of the contents of the file for a quick reference. It has been my experience that 95 % or more of providers have no new issues when it comes time for recredentialing. Why not make it a quick and easy review. The “Provider Credentialing Summary” provides the reviewer with a “at a glance” summary (of course the listed requirements can be modified to accommodate JC as well as AAAHC standards.

Work smarter not harder and share that with your directors / chairs.

*“Credentialing” continued on page 5*

## The Roadmap to Predictable Reimbursements



**The Provider’s Pain Points**—Are you a non-network provider? If the answer is yes, read on. We may be seeing the beginnings of a new trend in healthcare

reimbursement as providers continue to search for ways to avoid the unpredictable and often egregiously low reimbursement rates they receive on out-of-network (OON) claims. Unless a mutually agreed upon claim settlement agreement has been negotiated with the provider in advance of payment, the provider is exposed to the insurance company’s predetermined cost containment methodology and rates. This may include a contracted deal with a national wrap network or the results of a third party OON vendor selected by the payer to provide coverage or fee negotiation services in which the payer organization participates in some shared savings revenue. In either case, the provider is stuck with the reimbursement they receive unless they want to dispute or protest the reimbursement. Disputing reimbursement issues takes a lot of time and money, and often the provider grudgingly agrees to the reimbursement allowed, leaving substantial revenue on the table. But the question remains, was the transaction legitimate?

For some time, companies have looked at ways to provide contract management for providers as a way of measuring the overpaid or underpaid claims based on their arrangement. To add to this complex dilemma, most practice management systems are not equipped to support and manage PPO contracted rates, terms, and conditions. So, again the provider is left guessing, vulnerable and open to very loosely defined rules and regulations. Often, they are just happy to receive a check even though they know it has potential problems.

This problem persists even though some 15 states have passed legislation protecting the provider from being forced into making these settlements with payers. This occurs even when the discount applied to the claim is suspect of being taken from a network that may or may not be a legitimate discount for that particular claim based on contracting language and its legitimate use (paid access).

More states are considering passing similar legislation, but what about now? The growing OON claims volume and dollars settled on a contingency basis are substantial and often the provider is squeezed the hardest.

**Cost Containment Solution**—The good news; there is a way for the provider to fight back. Once again, technology and information resources will be at the center of the solution.

*“Roadmap” continued on page 6*

“Credentialing:” continued from page 4

### Provider Credentialing Summary - Recredentialing

**Aardvark, Aarvis Q. MD**

Specialty: Urology

Application Mailed:  
Application Received:  
Processing Completed:

Days on AMNR:  
Days on PIP:

Release and Attestation Signed:

**Minimum AAAHC Requirements:**

- Application
- Liability Certificate
- NPDB Query / Claim History
- License Verification
- DEA Registration copy / verification

**Additional Item Requested:**

- Affiliation Letters
- CV / Resume
- Claim History
- Reference Letters
- Providers Statements

**Application Summary:**

	All responses "No"	_____	Responses "Yes"	_____	#
Professional Liability Questions	All responses "No"	_____	Responses "Yes"	_____	_____
Health Status Questions:	All responses "No"	_____	Responses "Yes"	_____	_____
Disciplinary Action Questions:	All responses "No"	_____	Responses "Yes"	_____	_____
Statements Attached:	No	Yes	N/A		

**Affiliation Letters:**

No Adverse Comments: \_\_\_\_\_ Adverse Comments: \_\_\_\_\_ Copy Attached

**National Practitioner Data Bank:**

No Reports \_\_\_\_\_ Previous Reports \_\_\_\_\_ New Reports \_\_\_\_\_ Copy Attached

**License Verification:**

No Actions \_\_\_\_\_ Previous Actions \_\_\_\_\_ New Actions \_\_\_\_\_ Copy Attached

**Malpractice Claim History:**

No Cases \_\_\_\_\_ Previous Case(s) \_\_\_\_\_ New Case(s) \_\_\_\_\_ Copy Attached

**References:**

Number Obtained: \_\_\_\_\_

All Categories Ave. or Higher: \_\_\_\_\_ Number of Categories Below Ave: \_\_\_\_\_ Copy Attached

**Comments:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Donald M. O'Malley, CPCS, Director

\_\_\_\_\_  
Date

*“Roadmap” continued from page 4*

Since more and more providers outsource to sophisticated third-party billing or revenue cycle management organizations, outbound claims data can be moved about on a pre-adjudication basis to multiple vendors prior to arrival at the payer organization for adjudication to obtain critical pre-adjudication information.

This capability brings about a significant opportunity for providers to access PPO networks or available databases housing network contracting data to determine within reason what the reimbursement expectation should be. It also gives them the ability to settle with the patient at the point of service for the anticipated difference or balance of the bill for patient responsibility at the point-of-service. With this data collected and submitted to the payer electronically along with the original claim, places the payer on notice that the provider has made an agreement with a predetermination about the approximate value of the claim in a fair market cost containment arrangement.

Since the payer will most likely have an existing contract with a national wrap network and fee negotiation vendor, they could potentially push back on the charges and discount allowed by the network. However, since the patient and the medical facility already are aware that the encounter is an OON situation, the provider is back in control of its revenue and this gives them say in what is and what is not acceptable in the settlement process of OON claims. For more collaboration, please contact OAASC member, Azadeh Farahmand, CEO, GHN-Online, at [afarahmand@ghnonline.com](mailto:afarahmand@ghnonline.com).

### **Considering Joining an OAASC Committee?**

Committee work within the association is a great way maximize the value of your membership. It not only allows you to share your knowledge and hone your industry related skills, it provides more access to one of the best association benefits—interaction with your peers. OAASC committees include: 1) Membership Services and Education, 2) Reimbursement, 3) Government Affairs, and 4) Quality and Clinical Outcomes. If you have interests or expertise in any related areas, and you’re interested in participating, please e-mail Dianna Doyle at [dianna.doyle@shcare.net](mailto:dianna.doyle@shcare.net), or call the OAASC office at 614/358-0177. We would love for you to be involved!

### **August 15<sup>th</sup> is National ASC Open House Day**

ASCs everywhere are encouraged to invite community members into their facilities on Wednesday, August 15. Many of the people in your neighborhood may be completely unfamiliar with the services offered at ambulatory surgery centers, and an open house event is a wonderful way to educate them. A simple reception or tour serves as the perfect introduction to your services, staff and facilities. For more ideas about how to host your own open house, please visit [www.fasa.org](http://www.fasa.org).



### **Organizational and Provisional OAASC members, do YOU have your 2007 OAASC “Members Only” Web site username and password?**

Don’t miss this incredible resource created just for you! Renewed members that need a password and username reminder, or new members that need their initial password and user name established should contact Bob Kartavich at the headquarters office for assistance at [bk@shcare.net](mailto:bk@shcare.net).

### **Do You Have ASC News to Share with your OAASC Colleagues?**

Has someone at your facility recently won an award? Have you hosted an event, or been otherwise active in your community? We would be happy to include OAASC member news releases, or other information you feel would be of general interest to OAASC members, in the OAASC Surgery Center Update newsletter. To share important information and updates about your organization and team members, please submit your news releases or articles to our newsletter manager, Heidi Moss at [heidi.moss@shcare.net](mailto:heidi.moss@shcare.net). OAASC reserves the right to edit all submissions.

## ASC & Leadership Events in Ohio and Around the Country

**July 31** *Special Open Door Forum: Revised Payment System for Ambulatory Surgery Centers.* Audioconference. 2:00—3:00 P.M. Presented by The Centers for Medicare & Medicaid Services.

**August 9** *Advanced Clinic: Shoulder Surgery.* Audioconference. Presented by Lolita Jones. For more information or to register visit [www.EZMedEd.com](http://www.EZMedEd.com).

**August 14-15** *Clinical Coding Regional Seminars: Achieving Coding Excellence.* Las Vegas, NV. Presented by AHIMA. For details visit [www.ahima.org](http://www.ahima.org).

**August 23-24** *Clinical Coding Regional Seminars: Achieving Coding Excellence.* Bloomington, MN. Presented by AHIMA. For details visit [www.ahima.org](http://www.ahima.org).

**September 6-7** *Infection Control Practical Solutions.* Chicago, IL. Presented hcPro. For more information visit:

<http://www.greeley.com/seminars/>

**September 6-7** *Observation Status Symposium: Strategies for compliance, quality and revenue integrity for all stakeholders.* Chicago, IL. Presented by hcPro. Registration details are available at: <http://www.greeley.com/seminars/>.

**September 10** *2007 Washington Conference,* Washington, D.C. Presented by AAASC. For additional information please visit [www.aaasc.org](http://www.aaasc.org).

**September 13** *Advanced Clinic: Breast Surgery audioconference* Presented by Lolita Jones. For registration details and information visit [www.EZMedEd.com](http://www.EZMedEd.com).

**September 14** *2007 Nurses Seminar—Patient Care: It's What We Do,* Louisville, KY. Presented by FASA. For more information visit : [www.fasa.org](http://www.fasa.org).

**September 19-21** *OAASC 4th Annual Multidiscipline Conference:2007 Cherry Valley Educational Retreat for ASC Professionals.* Newark, OH. For details, contact Dre' Aliquo-Varela via email at [dre.aliquo-varela@shcare.net](mailto:dre.aliquo-varela@shcare.net) or call her at 614/358-0177.

**September 27** *KASCA 2007 Annual Educational Workshop.* Louisville, KY. For details please contact Natalia Mews at [natalia.mews@shcare.net](mailto:natalia.mews@shcare.net).

**September 27-29** *4th Annual Today's Surgicenter Conference.* Las Vegas, NV. More information coming soon at [www.surgicenter.com](http://www.surgicenter.com).

**October 5-6** *Computer-Assisted Coding Software Standards Workshop.* Philadelphia, PA. Presented by AHIMA. Details available online: [www.ahima.org](http://www.ahima.org).

**October 6** *Patient Flow Solutions: Five big issues you can tackle today.* San Francisco, CA. Presented by hcPro. Please visit <http://www.greeley.com/seminars/> for additional program and registration information.

**October 11** *Advanced Clinic: Arthroscopic Knee Surgery: Audioconference* Presented by Lolita Jones. For additional information visit [www.EZMedEd.com](http://www.EZMedEd.com).

**October 18-19** *Prepare for the Path Ahead:Preparing for Medicare ASC Payment Changes.* Chicago, IL. Presented by AAASC. Visit their website for additional details; [www.aaasc.org](http://www.aaasc.org).

**October 18-19** *Peer Review for Today.* Chicago, IL. Presented by hcPro. Visit <http://www.greeley.com/seminars/> for additional details.

**October 20** *Physician Competency Data: A course in quality data and current competence.* Chicago, IL. Presented by hcPro. For more information please visit

<http://www.greeley.com/seminars/>

**October 22-23** *This is Not Your Ordinary Coding Seminar.* Tucson, AZ. Presented by FASA. Visit [www.fasa.org](http://www.fasa.org) for additional details.

**October 29-30** *Finance & Accounting for ASCs.* Tucson, AZ. Presented by FASA. Addition information can be found at [www.fasa.org](http://www.fasa.org).

**November 2-3** *Medical Executive Committee Institute: The essential*

*training program for medical staff.* Palm Beach, FL. Presented by HCPro. For details visit their website at [www.hcmarketplace.com](http://www.hcmarketplace.com).

**November 5-6** *Renaissance for the 21st Century—Leading the Change in e-HIM.* Chicago, IL. More details coming soon at [www.ahima.org](http://www.ahima.org).

**November 8-9** *Prepare for the Path Ahead:Preparing for Medicare ASC Payment Changes,* Las Vegas, NV. Presented by AAASC. Visit their website for additional details; [www.aaasc.org](http://www.aaasc.org).

**November 13-14** *Clinical Coding Regional Seminars: Achieving Coding Excellence.* Grapevine, TX. Presented by AHIMA. For details visit [www.ahima.org](http://www.ahima.org).

**April 16-19** *AAASC Annual Meeting & Exhibition.* Tampa, FL. Additional information is available online at [www.aaasc.org](http://www.aaasc.org).

**May 14-17** *FASA Annual Conference.* San Antonio, TX. For details or to register call 703.836.8808.

**Fall 2008** *Coding for ASCs.* Location and date TBD. Presented by FASA. Visit [www.fasa.org](http://www.fasa.org) for updates.

**September 18-19** *OAASC 5th Annual Multidiscipline Conference:2008 Educational Retreat for ASC Professionals.* The Blackwell Inn on OSU Campus, Columbus, OH. Featuring keynote speaker Archie Griffin. For details, contact Dre Aliquo-Varela at [dre.aliquo-varela@shcare.net](mailto:dre.aliquo-varela@shcare.net) or call her at 614/358-0177.

**October** *Finance & Accounting for ASCs.* Location and day TBD. Presented by FASA. Visit [www.fasa.org](http://www.fasa.org) for updates.

*OAASC does not guarantee or endorse the content of the events listed above, but lists them as a service to our membership. Accuracy and liability of event content rests with the sponsoring individual or organization. Thank you.*