

# Ask the Doctors

A QUESTION & ANSWER EDITORIAL ON ISSUES RELATED TO ASCs

## **Robert Sable, MD**

*Independent GI  
Physician; Center Owner*



### **DID YOU FEEL THAT THE CONCEPT OF A HOSPITAL JOINT VENTURE WOULD REALLY WORK? WHAT WERE YOUR CONCERNS OR DOUBTS?**

I was concerned in the beginning about how sincere the hospital was to participate in such a venture, and whether it would allow the MDs to run the center more efficiently than the hospital was able to run its inpatient suite. I thought the venture would work because the hospital was unable to run its own unit profitably or efficiently.

### **WHAT WERE YOUR MOTIVATIONS TO PARTNER WITH YOUR HOSPITAL?**

There were several motivations to partner with the hospital:

- a. NY is a CON state and our application for a CON would not have survived an objection by the hospital.
- b. The hospital's name would enable us to get better contracts with our managed care payers.
- c. The hospital has vast experience with regulators and was able to help us pass our accreditation.
- d. The hospital's participation enabled us to obtain better financing arrangements.

### **WHAT STRENGTHS AND VALUES DO YOU SEE IN HAVING A HOSPITAL PARTNER?**

We were able to share the risks of the venture. The hospital's real estate people helped us in finding a location. We are ensured of a stream of patients that the hospital generates from its emergency room and clinics.

### **HOW DOES OWNING A CENTER PERSONALLY AFFECT THE WAY YOU WORK AND TREAT PATIENTS?**

Having ownership in a center gives me a sense of pride that my patients are treated in a way that into which I have input. Instead of the nurses running the unit and telling the doctors what to do, the doctors have a major role to make certain that the unit is run in ways that are important to us. We have some goals that are similar to the hospital's. However, the goal of efficiently moving a patient through our system is a foreign concept to some hospital staff who are so interested in regulations that they lose sight of what we try to do in an endoscopy unit.

### **WHAT ADVICE CAN YOU OFFER TO FELLOW GI DOCTORS WHO HAVEN'T TAKEN THE STEP TOWARD CENTER OWNERSHIP WITH OR WITHOUT A HOSPITAL PARTNER?**

If GI MDs work in an area with a dominant hospital, they will be wise to speak with the hospital, discuss their common goals and develop a venture that both participate in. They should only partner with a hospital that will provide added value to the venture in terms of financing, administration, accreditation, contracting and providing a patient stream.

### **WITH THE HOSPITAL AS AN ECONOMIC PARTNER IN THE ASC, ARE YOU MORE INCLINED TO REFER YOUR ANCILLARY SERVICES (PATHOLOGY, RADIOLOGY, ETC.) TO THEM OR THEIR NETWORK?**

It was almost an unwritten understanding when the venture was started that the hospital would benefit from ancillaries. Pathology, in particular, had been sent in many cases to private labs and now all goes to the hospital lab. Certainly when abnormalities are found, the hospital is more likely to benefit from additional radiology and surgery.

I should add to this that having a corporate partner in the mix provided stability to the venture by mediating any issues of trust between the hospitals and the MDs, and by providing an extra level of management expertise that was not otherwise readily available.

## **David Greenwald, MD**

*Hospital Based Physician;  
Co-Medical Director of  
Center*



### **DID YOU FEEL THAT THE CONCEPT OF A HOSPITAL JOINT VENTURE WOULD REALLY WORK? WHAT WERE YOUR CONCERNS OR DOUBTS?**

There clearly were concerns with a joint venture with the hospital, since facility fees in the hospital outpatient department are higher than those at an ambulatory surgical center. There was concern that while the hospital would be a

partner in the joint venture with the endoscopy center, financial incentives would still be at play that would tend to drive procedures away from the ASC and towards the hospital. However, for the first two years in our center, the relationship has been extremely positive; we are all working together to provide high quality care while maintaining volume in both places.

#### **WHAT DID YOU SEE AS THE HOSPITAL'S MOTIVATION TO PARTNER WITH THE LOCAL INDEPENDENT GI PHYSICIANS?**

I believe the hospital realized the growing trend towards ASCs in the delivery of endoscopic services around the country, and recognized the high volume of endoscopic procedures needed by the surrounding community. Understanding the fact that high quality endoscopic care could be delivered in an efficient and effective manner in an ASC setting, and realizing that the local independent GI physicians were likely to move in that direction either with or without the hospital, the hospital wisely decided to partner with the independent physicians.

#### **WHAT STRENGTHS AND VALUES DO YOU SEE IN HAVING THE HOSPITAL AS A PARTNER IN THE ASC?**

The hospital "brings with it" a few things...first and foremost a reputation in the local community for excellence in health care. Simply being affiliated with the major site of health care delivery in a community is huge. The hospital also brings with it an array of already well run services, such as pathology services, that the ASC can use with the comfort of knowing that such services are part of the larger and well respected institution.

#### **HOW DOES UTILIZING AN ASC PERSONALLY AFFECT THE WAY YOU WORK AND TREAT PATIENTS?**

Our ASC is efficient, well run and patient-friendly in every way. My patients love the "total experience," from a friendly greeting, efficient pre-proce-

dures processing, a comfortable and safe procedure, and a comfortable (and brief) recovery period. That affects me in a big way; if my patients are satisfied and comfortable, I am free to spend more time with them, and they are likely to return if we suggest follow-up care. Patients appreciate the attention to detail, such as keeping to a schedule, comfort measures such as spacious and meticulously clean patient care areas, and most of all, a warm but concerned staff that always acts as a patient advocate and always tries to make the experience as pleasant as possible.

#### **WHAT ADVICE CAN YOU OFFER TO FELLOW GI DOCTORS WHO HAVEN'T TAKEN THE STEP TOWARD CENTER OWNERSHIP WITH OR WITHOUT A HOSPITAL PARTNER?**

Try it...you'll like it!!

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#### **Mike Blechman**

*Independent GI  
Physician; Center  
Under Development*



#### **DID YOU FEEL THAT THE CONCEPT OF A HOSPITAL JOINT VENTURE WOULD REALLY WORK? WHAT WERE YOUR CONCERNS OR DOUBTS?**

I thought that if we could all get on the same page and see the big picture that this could be a great project for all involved. Knowing the ways hospitals typically work, I had initial concerns that the hospital's ability to commit and negotiate the red tape typically involved with these ventures would slow down the entire process. These concerns didn't last very long though, as it became apparent to all of us involved in the physician coalition that our hospital was quite motivated to make this happen quickly.

#### **WHAT WERE YOUR MOTIVATIONS TO PARTNER WITH YOUR HOSPITAL?**

Given the health care and financial

environment that exists in New York, putting together a project of this scale really requires a hospital partnership for financial reasons and to help assist in obtaining a certificate of need, which is required in New York State.

#### **WHAT STRENGTHS AND VALUES DO YOU SEE IN HAVING A HOSPITAL PARTNER?**

Having a hospital partner may help in an ambulatory surgical center in many ways ranging from negotiations with insurance companies for fee schedules, obtaining discounts in supply fees, staffing and attracting other physicians to utilize the facility.

#### **HOW WILL OWNING A CENTER PERSONALLY AFFECT THE WAY YOU WORK AND TREAT PATIENTS?**

It certainly makes it easier for patients as far as continuity of care. A center like this will be an extension of our office and offer patients a high class, efficiently run facility to have their procedures done.

#### **WHAT ADVICE CAN YOU OFFER TO FELLOW GI DOCTORS WHO HAVEN'T TAKEN THE STEP TOWARD CENTER OWNERSHIP WITH OR WITHOUT A HOSPITAL PARTNER?**

The most important aspect of a project like this one is to find a group of physicians who you respect and get along with. There are many decisions to make along the way. A hospital partnership will assist and likely expedite obtaining a certificate of need. It will also help defray the costs of such a start-up facility.

#### **WITH THE HOSPITAL AS AN ECONOMIC PARTNER IN THE ASC, ARE YOU MORE INCLINED TO REFER YOUR ANCILLARY SERVICES (PATHOLOGY, RADIOLOGY, ETC.) TO THEM OR THEIR NETWORK?**

Absolutely. This is a partnership. The hospital helps you and you help the hospital.