

Adding Anesthesia as an Ancillary Service

Learn how ASCs make this idea work BY DAVID KADISH

s executive vice president of Anesthesia Operations at nimble solutions, I have noticed a growing trend among ASCs and anesthesia providers. Typically, anesthesiologists establish third-party contracts with ASCs. This practice ensures seamless care during procedures. It also mitigates the costs associated with anesthesia for ASCs. Recently, however, ASCs have begun to embrace anesthesia as an ancillary service. When anesthesia is brought in house to broaden an ASC's scope of offerings, it can improve the patient experience and unlock new avenues for revenue generation.

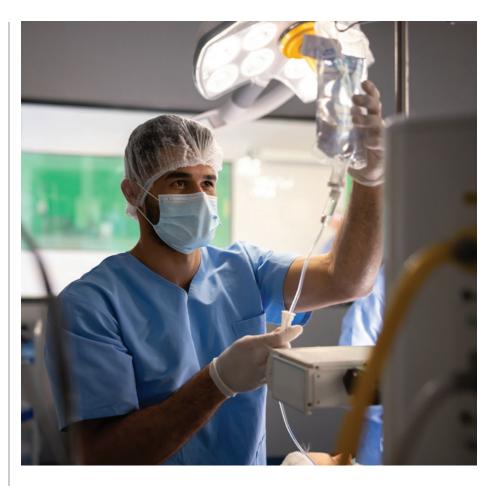
While hefty malpractice insurance policies have traditionally made anesthesia appear generally undesirable and financially impractical as an ancillary service in an ASC, there is significant rationale behind this strategic shift.

Advances in Surgical Techniques

Surgical procedures often require local anesthesia, sedation or regional blocks to manage pain. Recent advances in surgical technology combined with advances in anesthesia techniques are accelerating the movement of certain procedures from the hospital to the outpatient setting.

For example, the ability to perform spinal surgeries without general anesthesia is shortening patient recovery time and migrating more spine procedures to ASCs, where the cost for these procedures is lower for patients and payers.

As more ASC spine surgeons pioneer surgical techniques that avoid general anesthesia, such as using novel regional anesthetic blocks in the spine, overall patient recovery



time decreases as does the risk of anesthesia-related complications.

Benefits for ASCs

Since anesthesia services are billed separately from surgical procedures, incorporating anesthesia services into an ASC offers the potential for increased revenue.

The benefits of adding anesthesia to your ASC's service line can include

 Cost control: Instead of relying on external anesthesia providers, ASCs can negotiate favorable agreements and manage the cost structure more effectively. This can lead to reduced expenses and improved profitability.

- Enhanced efficiency: Having an anesthesia team on-site allows for streamlined coordination and scheduling of procedures. This can help optimize the utilization of operating rooms and staff, resulting in improved operational efficiency and increased patient throughput.
- 3. Streamlined revenue cycle processes: If your ASC partners with a revenue cycle management company, inquire about anesthesia billing services and ways to make the process more efficient.

Admittedly, adding anesthesia services can be complex, especially if your facility is not familiar with anesthesia coding and billing guidelines. Specific Current Procedural Termi-

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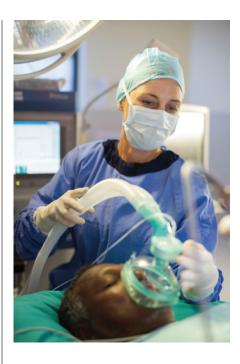
nology (CPT) codes and modifiers for anesthesia must be used to indicate special circumstances or services provided. Plus, anesthesia services are billed based on time increments. Professional anesthesia coders understand the time thresholds specified in the CPT codes and ensure that the documentation reflects the actual time spent providing anesthesia care.

Benefits for Patients

Because anesthesia providers play a crucial role in ensuring patient safety and reducing surgical complications, they are a valuable resource for ASCs, even in minimally invasive procedures. By implementing innovative approaches like risk stratification, shared decision-making, predictive analytics and remote monitoring through wearable devices, anesthesia providers can enhance patient safety and optimize outcomes in the ASC setting.

Other patient benefits that stem from in-house anesthesiologists include

- 1. Convenience and efficiency: ASCs have established themselves as centers of excellence in terms of efficiency and patient convenience. The inclusion of anesthesia services within ASCs eliminates the need for patients to visit separate facilities for preoperative evaluations or anesthesia consultations, streamlining the surgical journey.
- 2. Enhanced safety: ASCs maintain rigorous safety standards and quality control protocols. The addition of anesthesia services further strengthens patient safety by ensuring the availability of highly trained anesthesia providers, advanced monitoring equipment and comprehensive preoperative assessments.
- 3. Reduced costs: One of the primary advantages of ASCs is cost savings for patients and payers. By offering anesthesia services in-house, ASCs can potentially reduce costs associated with separate anesthesia providers and facility fees, re-



sulting in more affordable surgical options for patients.

Additionally, ASCs must prioritize the adoption of anesthesia safety and emergency preparedness standards for their in-house anesthesia providers. This involves implementing safety checklists, crisis management protocols, anesthesia monitoring equipment, automated anesthesia record keeping, electronic medication administration records (eMAR) and emergency drug kits for cardiac arrest, airway emergencies and anaphylaxis. These measures not only ensure regulatory compliance, they also enhance patient care and improve the overall patient experience.

Before Adding Anesthesia Services

Once you decide to incorporate anesthesia services into your surgery center, carefully consider both the financial investment required and the potential revenue these services can generate based on the appropriate pricing structure. Determining your breakeven point and assessing the profitability timeline of anesthesia services also are essential steps in evaluating

whether the associated risks and costs can be justified by the endeavor.

Factors to consider

- Reimbursement negotiations: Engage in discussions with payers to establish competitive rates that cover the costs associated with providing anesthesia.
- Medicare regulations: Regularly evaluate the Medicare rules governing ancillary services and the corresponding payments. Additionally, ensure compliance with regulations such as the Stark Law and the Anti-Kickback Statute.
- Compliance with payer guidelines: Stay updated with the guidelines of the major payers in your region to ensure compliance and avoid claim denials.
- 4. Initial investment and operational costs: Incorporating anesthesia services requires a significant up-front investment. Costs include hiring and training an anesthesia team and ensuring regulatory compliance.

When you are ready to launch your anesthesia services, monitor key performance indicators like revenue, expenses and reimbursement rates. This data will help you identify areas for revenue improvement, assess the fiscal impact and guide strategic decision-making.

Anesthesia Revenue Cycle Management Considerations

Anesthesia coding demands meticulous attention to detail and proficiency in the CPT and the American Society of Anesthesiologists coding systems. Comprehensive documentation is crucial for optimized perioperative pain management, which includes multimodal approaches, advancements in regional anesthesia techniques and alternatives to opioid-based pain control.

Your documentation should include the administered medications for pain control, including opioids or non-opioid analgesics, as well as any supplies, equipment and medical necessities used. Additionally, regional anesthesia techniques employed, such as nerve blocks, epidurals or spinal procedures, along with injection sites and catheter placements, if applicable, should also be accurately documented.

To ensure compliance, I recommend periodic internal audits of your ASC's coding and billing practices. Audits also can identify trends in claim delays or denials, improve coding accuracy and reduce accounts receivable days.

The best way to secure operational and financial success is to prioritize compliance and anesthesia regulations while maintaining accuracy throughout the anesthesia revenue cycle.

Final Takeaways

Anesthesia as an ancillary service represents a logical step forward for many

The integration of anesthesia services offers convenience, safety and cost savings for patients, positioning ASCs as a compelling alternative to traditional hospital-based care."

—David Kadish, nimble solutions

ASCs. By expanding their surgical capabilities, increasing revenue opportunities and improving patient satisfaction, surgery centers can provide comprehensive care in a patient-centered environment. Plus, the integration of anesthesia services offers convenience, safety and cost savings for patients, positioning ASCs as a compelling alternative to traditional hospital-based care.

To position your surgery center for success, conduct feasibility studies, negotiate favorable reimbursement rates and ensure you are compliant with all pertinent regulations prior to adding anesthesia services. Monitoring key performance indicators and conducting coding audits are essential to track progress once you have established your new services. By taking these proactive measures, ASCs can make informed decisions and increase the likelihood of success when incorporating anesthesia as an in-house service. «



David Kadish is the executive vice president of Anesthesia Operations at nimble solutions in St. Louis, Missouri. Write him

at david.kadish@nimblercm.com.



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