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How outsourcing billing helps to combat ASCs' top challenges

Achieving financial success in an ASC has become more difficult in recent years, with a growing list of challenges threatening and straining the bottom line. With less room for error, surgery centers are seeking solutions that can help them better navigate and overcome these barriers to viability and profitability. Revenue cycle outsourcing is one solution growing in popularity throughout the ASC industry and is becoming a preferred option for de novo centers.

Here are five of the top challenges facing ASCs and how outsourced billing empowers surgery centers to effectively combat them.

1. Staff recruitment and retention

One of the top challenges – if not *the* top challenge – for ASCs today is staffing. Competition for skilled healthcare workers has increased as availability of staff has declined (i.e., supply and demand). On top of recruitment challenges, keeping qualified personnel has proven more difficult for ASCs for myriad reasons, including staff leaving for higher-paying healthcare positions, exiting the field altogether and retiring.

By outsourcing revenue cycle management, ASCs reduce the amount of work required for effective recruitment and retention initiatives while also freeing up valuable time and resources. Outsourcing reduces the number of staff that must be recruited and retained. With ongoing access and support from a team of ASC revenue cycle experts, a center can eliminate open, in-house business office positions; reliance on part-time and as-needed business office staff; and paying for overtime when staff are unavailable or unable to take on expanded workloads. If an existing business office staff member leaves the center or wishes to move to reduced hours, the ASC billing company can take over the available work.

The ASC billing company provides additional support to existing business office staff, which makes them more productive, successful and satisfied with their work. Any personnel working excessive overtime or juggling multiple roles can move to a more reasonable schedule, helping reduce the potential for burnout that often leads to staff turnover.

By eliminating in-house business office positions, an ASC's leadership team can allocate more time and resources to recruiting clinical and operational staff. Open office space can make working conditions more comfortable for the remaining business office staff. Additionally, that space can be converted to help with clinical and operational performance or eliminated altogether to reduce occupancy expenses.

Saving on business office salaries and benefits can help an ASC offer more competitive salaries and benefits to prospective staff. The financial improvements associated with outsourcing can further support staff recruitment and retention. ASCs can offer higher salaries, better benefits and bonuses, and make investments in new technology, furniture and other amenities that can create a more welcoming, productive and attractive work environment.

2. Cash flow

As reimbursement has tightened and expenses associated with staffing, supplies, equipment, occupancy costs and facility support services (e.g., HVAC maintenance, equipment maintenance, housekeeping) have increased, ASC shortcomings in cash flow have been magnified. QuickBooks notes that 60% of small businesses, which describes most surgery centers, report cash flow as a problem. Challenges with cash flow place increased strain on ASCs and their owners, making it more difficult to cover growing expenses and ensure centers can maintain what is required to perform procedures and generate revenue.

When ASCs outsource their billing, they are partnering with experts who work to ensure clients get paid for services in a timely manner. Outsourced RCM companies not only focus on coding and billing but responding efficiently and effectively to denials and delays in payment to reduce cash flow disruptions.

In addition, outsourcing ASC billing delivers significant cost savings that help centers achieve and maintain positive cash flow. Outsourcing delivers instant, business office staff-related cost savings as it empowers an ASC to reduce or eliminate overtime, part-time and/or as-needed work, in addition to decreasing the number of full-time staff. Scaling back business office employees generates additional savings, including reduced expenses associated with recruiting, hiring and training staff; purchasing furniture and technology; and obtaining insurance.

Outsourcing RCM may provide an ASC with an opportunity to reduce its physical footprint, saving money on occupancy costs. For ASCs that experience case volume surges or declines (e.g., seasonal volume), outsourcing can cut the costs associated with shifting levels of staff. If an ASC experiences a case volume decline due to factors such as provider absence or facility construction, the center can easily and more cost-effectively modify its use of outsourced RCM services than it could by adjusting staffing levels.

Your Challenges. Our Solutions.

Our expert billing team functions as an extension of the ASC business office, allowing clients to focus on clinical staffing, physician satisfaction, growth opportunities, and outcomes. We provide unmatched, ASC-specific billing and revenue cycle services that improve financial performance.

Expand your business office with the revenue cycle partner built to overcome the revenue cycle hurdles facing ASCs.



WE'RE NOT JUST ANOTHER BILLING COMPANY.
WE ARE THE ASC BILLING EXPERTS.

BILLING | TRANSCRIPTION | CODING | DOCUMENT MANAGEMENT

CASE STUDY RESULTS

Leverage Critical Data With Next-Generation Analytics

Revenue Per Case

BEFORE
SURGICAL NOTES

\$2,383

AFTER 6 MONTHS
WITH SURGICAL NOTES

\$2,564



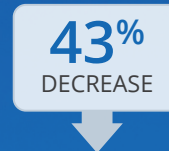
Days to Bill

BEFORE
SURGICAL NOTES

7 DAYS

AFTER 6 MONTHS
WITH SURGICAL NOTES

3 DAYS



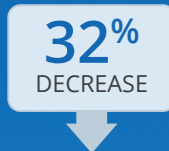
Days to Pay

BEFORE
SURGICAL NOTES

19 DAYS

AFTER 6 MONTHS
WITH SURGICAL NOTES

13 DAYS



Legacy AR Collected

AFTER 6 MONTHS WITH SURGICAL NOTES

~\$16 Million

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3. Proper reimbursement and collections

Another growing challenge for ASCs – and one that further strains cash flow – is collecting from payers and patients what centers are rightfully owed for services rendered. Outsourced billing helps ASCs capture the money they deserve.

On the payer side, an ASC billing partner will employ certified coders and knowledgeable billers with surgery center-specific expertise. This extends to coding and billing for ASC specialties and procedures, multiple payer types and insurance plans (and their often-complex requirements), and implants and biologics. Outsourced RCM staff contribute to a high rate of clean claims that reduce time to payment and likelihood of payment errors and oversights.

On the patient side, consumers are shouldering more of the cost of their care. Outsourced billing companies have extensive experience working with patients to ensure they cover all their associated expenses. These companies implement procedures for eligibility verification and leverage technology internal staff can use to verify insurance information and determine coverage. Such solutions can often estimate a patient's financial responsibility as well. The patient-focused efforts of ASC billing staff also include providing timely, accurate estimates; initiating successful pre-procedure collections based upon these estimates; and following up with patients to collect on a balance.

4. Payer rules

ASCs are increasingly struggling to determine, understand and follow payer rules, as requirements differ between payers – both commercial and federal – and undergo frequent and often unclear changes. ASCs must carefully follow payer rules to submit clean claims, avoid denials and requests for further information, and receive timely payments. Rules compliance can become more complicated when a procedure requires secondary and tertiary billing or includes the use of an implant or biologic.

To avoid mistakes and oversights associated with payer-specific rules, ASC outsourcing companies keep their staff current on payer rule changes. These revisions are identified through several, ongoing efforts, including reviewing payer announcements, monitoring payer trends across client facilities that may indicate a rule or expectation change, and communications with payer representatives.

This continuous work also helps ASC billing companies ensure clients do not miss new billing opportunities and are consistently paid what they deserve. If payment is incorrect,

ASC billing companies have processes in place to quickly flag the wrong amount and execute outreach to payers to collect money owed.

5. Growth opportunities

The good news for ASCs: The ongoing migration of care into surgery centers means there are tremendous opportunities for growth. Consulting firm Sg2 projected outpatient surgical volumes will grow 18% by 2033 and ASCs will see 12% growth in the next five years, and 22% growth in the next 10 years – and this projection was made before CMS approved total shoulder replacements for Medicare patients in surgery centers. The bad news is that achieving growth has become more difficult due to the challenges discussed above, as well as others.

Outsourcing billing is helping ASCs more successfully pursue and capitalize on growth opportunities. For example, with outsourced RCM, ASCs can free up valuable square footage that may be turned into clinical space to accommodate more case volume, new specialties and procedures, and larger equipment. If a new specialty is added, outsourcing eliminates the need to find revenue cycle staff with knowledge of the billing intricacies or train existing staff in these specific, often complicated requirements.

Outsourcing also alleviates the workload of ASC leadership, allowing them to develop proper growth plans more effectively. Leadership is also freed up to work more closely on physician recruitment, equipment research and purchasing, clinical staff hiring and training, and other responsibilities when executing growth plans.

As an ASC expands, outsourced billing eliminates the need to find, hire and train new RCM staff. A center can also take solace in knowing its outsourcing partner is prepared to deliver the necessary revenue cycle services to maximize the bottom-line benefits associated with growth.

Overcoming barriers and achieving success with outsourced ASC billing

In today's highly competitive environment, ASCs must find ways to navigate obstacles that stand in the way of viability and profitability. They must also pursue improvement opportunities that strengthen operations and financial performance. Outsourced ASC billing represents a time-tested service that delivers center-wide benefits, putting surgery centers in an even stronger position to achieve short- and long-term success.



Surgical Notes is the premier ASC billing services partner. Our expert teams with ASC-specific experience provide scalable revenue cycle management services and solutions that fully integrate with leading ASC practice management systems. The largest management companies and hundreds of ASCs that partner with Surgical Notes benefit from immediate financial improvements.