



**OREGON AMBULATORY
SURGERY CENTER ASSOCIATION**

Our Patients Come First

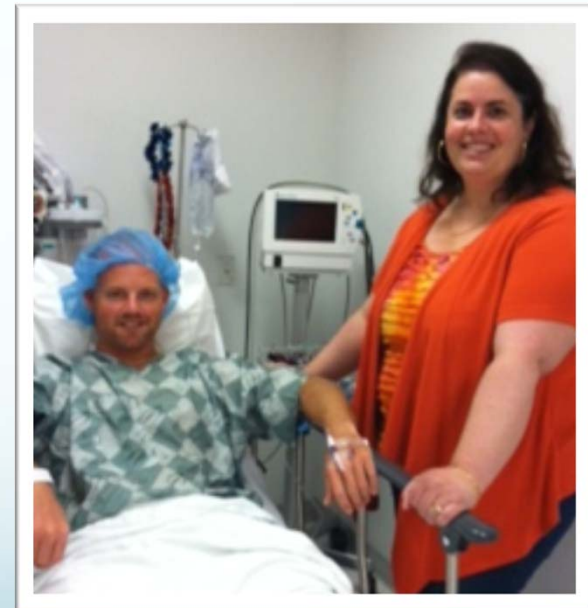
***Extended Stay Recovery
Centers: HB2664 (amendt)***



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Our Patients Come First

- **Ambulatory Surgery Centers:** Less than 24 hours
- **Convalescent Care Centers:** Up to 72 hours in Colorado; Proposed: Combined 48 hours for Oregon (+ 4 hour safety window)
 - Excellent clinical outcomes;
 - Outstanding patient satisfaction;
 - Significant cost savings for employers, patients and insurers;



What's The Issue?

- Technology is improving
- Insurers/Federal Agencies asking that more be done in an outpatient setting
- Other states adopting rules to ensure safety, patient choice, predictability and cost savings for the system
- Oregon does not currently have a procedure to adapt to these changes

Industry Trends



United Healthcare Network Bulletin:

“These procedures will require prior authorization if performed in an outpatient hospital setting. **No prior authorization will be required if they are performed at an ambulatory surgery center.**”



Industry Trends



The guidelines apply to the following codes and procedures:

Procedures & Services	Codes for UnitedHealthcare Commercial Plans			
Abdominal Paracentesis	49083			
Carpal Tunnel Surgery	64721			
Cataract Surgery	66921	66982	66984	
Hernia Repair	49585	49587	49550	49551
	49552	49553	49554	49555
Liver Biopsy	47000			
Tonsillectomy & Adenectomy	42821	42825		
Upper & Lower Gastrointestinal Endoscopy	43235	43239	43249	45378
	45380	45384	45385	
Urologic Procedures	52090	52000	52005	52204
	52224	52234	52235	52260
	52261	52310	52332	52351
	52352	52353	52356	57288

Procedures



- Total joint replacements: hip, knee, shoulder, ankle
- Arthroscopy: shoulder, knee, ankle
- Sports medicine: ACL repairs, rotator cuff
- Spine & neck: fusions
- Hand & upper extremity
- Foot and ankle reconstruction
- Pain management
- Pediatrics
- Trauma and fractures
- Worker's Compensation care



Mix of private payer and Medicaid in addition to charity care (i.e. veterans focus for some centers)

Extended Stay Recovery:



- *Extended Stay Recovery License models in Colorado, Arizona, Illinois, Florida, and Nevada*
- *Considered last legislative session in Wyoming, Washington, New Hampshire, Oregon*
- *New DHS/CMS Directors signals possible change*

Cost Comparisons



ORTHOPEDIC ASC - COLORADO	2013 Average Charge
Knee/Hip Replacement	\$22,000-\$23,000
Major Joint Replacement (MSDRG 470)	2013 Average Hospital Charge
McKee Medical Center	\$46,207
Poudre Valley Hospital	\$54,642
Medical Center of the Rockies	\$66,041
No. Colorado Medical Center	\$61,867
Good Samaritan Medical Center	\$80,164
Kaiser Foundation Health Plan	\$22,423 (average reimbursement)

Quality Measures



	2013	2014	2015 (Q1-2, 2015)
Infection rate	0.31%	0.0019%	0.0035%
Complication rate	0.57%	0.002%	0.002%
Patients transferred to hospital	4	5	3
Satisfaction with surgical experience	97%	97%	97%
Satisfaction with Recovery Center experience	98%	97%	97%
Nurse/Patient ratio in Recovery Center	1:3 (4 max)		

3 Year Process:

- 2014 Discussion with legislators, pre-session filing of bill
- 2015 Initial Legislative Proposal and HHC Hearing
- 2015 Work Group of hearing participants (Finished in mid-May)
- 2015 September Interim HHC Hearing
- 2015 November Initial stakeholder meeting at the Coast
- 2016 Reintroduction of legislation (HB2570)/discussions/HHC Hearing
- 2016 Work group session in Capitol with 13 different participants
- 2016 Stakeholder Discussions - - Over 35 separate meetings/discussions, 12 separate discussions with hospitals or the Association, open door policy and clear communication.
- 2016 Legislator Discussions - - Numerous meetings between legislators and work group participants. Reached out to solicit input.
- 2016 OHA Discussions - - At least 3 separate discussions with OHA
- 2016 August/Sept Initial "DRAFT" Legislative concept paper circulated
- 2016 September Extended Stay Lunch for Legislators (all invited)
- 2016 October Bill Framework submitted to LC
- 2016 Fall-Winter Discussions with Providence and others
- 2017 February Hearing
- 2017 Recommendations from OHA, Providence, hospitals, etc.
- 2017 Ongoing discussions with various parties. Amendment developed based on potential compromise.

Summary: 3 years, 4 hearings, 3 separate bills, dozens of meetings

Extended Patient Care:



- ***Duration:*** 48 hours + 4 hours
- ***Limited # of Licenses:*** 16
- ***Ownership:*** 8 JV / 5 non-JV / 3 open
- ***Life/Safety:*** Meet hospital levels of care for overnight stays.
- ***No “Fly By Night:”*** 2 year record by applicant
- ***Emergency Transfer*** agreements OR similar provisions for patient safety determined by OHA

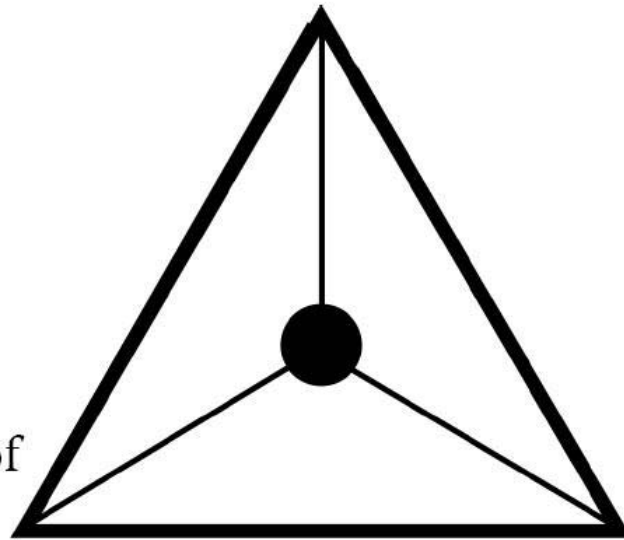
- ***ETA must be within 15 miles for patient safety (OHA oversight)***
- ***Medicare Notifications***
- ***Data/Reporting Requirements***
- ***OHA Language: Accepted***
- ***Single License: Require that OHA apply for a CMS waiver***

Bottom Line:

- Lengthy process
- Input incorporated from all parties
- Open door policy for any group to participate/contribute
- Transparent through public hearings, open work sessions, repeated outreach, and shared information

***Good bill, middle ground, limited in scope,
careful sideboards***

Health of a
Population



Experience of

Care

- Safe
- Effective
- Patient centered
- Efficient
- Timely
- Equitable

Per Capita
Cost

Triple Aim

Better care for individuals, better health for populations, lower per capita costs