



# MASAGRAM

MARCH 2010

[www.michiganasc.com](http://www.michiganasc.com)

## CALENDAR

### 2010 GENERAL MEMBERSHIP MEETINGS:

March 18, 2010

June 17, 2010

December 2, 2010

### MASA 4th Annual Education Day

October 28 & 29, 2010

Soaring Eagle Casino  
Mt. Pleasant, MI

## President's Message

Jim Stilley, President

As I sit down to write this update, I am amazed at the complexity of our business.

2009 was a great year for MASA. We added a significant number of centers and vendor members to our Association. Our quarterly and annual meetings are growing by leaps and bounds. The meetings this year are on track to be larger and have greater depth in the topics for Michigan ASCs. I urge everyone to work together in 2010 to ensure our membership is active in state policy decisions.

**Educate, Educate, Educate** is our challenge for 2010. MASA (all of us) must educate patients, payers, and lawmakers on the federal and state cost shifting that occurs. What do I mean when I say cost shifting? Here are some facts you may already know, but do your patients, physicians, and staff know this?

Medicare only reimburses ASCs for about 63% of the cost for outpatient surgery while reimbursing hospitals on a separate system at 97% of costs. Where do ASCs get the 37% unfunded by Medicare? Cost shifting, if possible. Does the average Medicare patient realize that the government is only paying your center a fraction of the cost and relies on your facility to search, haggle, cajole, and hope that "other non-government entities" will pay enough to cover government unfunded liabilities?

Medicaid currently pays ASCs nothing for care provided in ASCs! In the near future, DCH in Michigan wants to pay ASCs 38% of costs while paying hospitals 65% of their costs.....citing it has no funds/budget to pay more. DCH will not address how surgery centers are to make up losses - only that the state has no money to provide more. Additionally, DCH is willing to pay ASCs more, up to the Medicare levels (63% of cost), but it would come from income the state "earned" from a tax solely directed at physicians and ASCs. This adds expense at the same rate it adds to payments (no increase).

**LERC**  
Lake Erie Regional Cooperative

**Amerinet**<sup>®</sup>

We need to educate payers and lawmakers that using Medicare “ASC payments” as a benchmark misses the mark when trying to relate ASCs and Hospitals. As every administrator is keenly aware, a few percent difference in payer mix (Medicare & Medicaid) in our business model means covering costs and making a modest profit or not covering costs and losing money.

Our collective message is getting out even if it seems painfully slow. I believe payers, lawmakers, and patients know that we are high quality, low cost, efficient providers of healthcare. I also know lawmakers are faced with serious funding issues. MASA needs to continue pressing for lawmakers to acknowledge that ASCs and physicians are providing federal and state “unfunded liabilities” without the benefit of tax credits, legislative relief, or even public recognition.

I urge you to get involved. Contact any board member and let them know the issue with which you would like to assist. Help keep our association strong!



## News from your Executive Director , Marcy Lay

Greetings from Lansing! First, I would like to thank the MASA Board and members for allowing me to be your Executive Director.

MASA is currently full steam ahead on the 2010 MASA Education Day. We have processed the Education Day Questionnaires from last year and are basing our 2010 event on those results. We do listen. We do care! Information on the 2010 MASA Education Day will start to be posted this month on the webpage. I urge you to keep checking back ! This year promises to be the largest Education Day ever! We have expanded our space and have already had over 30 vendors contact us to participate.

Your input is vital to keep this organization strong and healthy. Please feel free to share your articles of interest. These can easily be posted on the sections of the webpage it would pertain to, or even published in our MASAGram. Information and communication are key ingredients to keep members happy and membership value high. I urge you to share articles with me or any other information you believe would benefit other members of MASA.

Each 2010 MASA member will receive a new password for the website in the next few weeks, so please be on the lookout for that. Unfortunately, this will not allow 2009 members access to our blogs & emails any longer. If you haven't reapplied for your 2010 membership, I urge you to do this today—stay in the loop, stay informed, stay a MASA member.

I look forward to seeing you at the March meeting—please register today if you are attending—check out our new PayPal button, added for your convenience.

I'm reachable by phone or email, don't hesitate to contact me.

MARCH 2010

## Workers Compensation Advisory Committee Update

LINDA KIRK, Surgery Center of Western Michigan

On February 9, 2010, Dr. Richard Ilka and Dr. Michael Shelden presented a proposal for ambulatory surgery center payment before the Michigan Workers Compensation Advisory Committee. They did a good job supporting our position—that there is an urgent need to put in place a new and fair payment schedule.

The proposal presented was to have the payment be the Medicare Hospital Outpatient Payment rate plus implants at cost plus 10% for shipping/handling. There was agreement that “we’re stuck in time” and that the process has been taking way too long. Again, there was confusion for some members as to how the current Medicare payment process works both for ASCs and the hospitals. It was suggested to come back, next time with a clear explanation, reference to specific HOPD fees and target a formal motion for action.

## AAAHC UPDATE—*Kris Kilgore, 2nd Vice President*

AAAHC is releasing the 2010 Standards in March of this year. One of the biggest changes in the new standards is the addition of a core chapter on Infection Control. A core chapter means it applies to all organizations seeking accreditation.

This is an important chapter with all of the CMS changes in the area of infection control. One thing to keep in mind is that you need to have a trained professional appointed by the Governing Body to oversee the Infection Control Program. There are many companies that offer on-line training in Infection Control. The Infection Control Program must be reviewed annually by the Governing Body and can be incorporated into the CQI/RM Program.

## 2010 MASA BENCHMARKING SURVEY

Below is a survey meant to establish useful benchmarks for MASA member facilities. We are asking one person at each facility to complete the survey by March 31, 2010. There is not an identifier on this survey, so you will be anonymous. Please have 1 person per facility complete the form today!

Please fax your completed surveys to Carrie Bradish 810-733-8895 OR email [carrieb@surgerycenter-flint.com](mailto:carrieb@surgerycenter-flint.com) OR this can be completed online at <http://www.surveymonkey.com/s/NDSGDWG>. Results will be shared with the Billers and Coders Subgroup.

Thank you for your participation!

### ACCOUNTS RECEIVABLE BENCHMARKS SURVEY

**1. Please estimate the breakdown of your ASC's original claims submission method not including re-billed or status claims (Total equal to 100%)**

% submitted on paper \_\_\_\_\_

% submitted electronically \_\_\_\_\_

**2. On average, how many days prior to the date of service does your center complete the insurance verification process, including obtaining authorization for surgery if needed?**

\_\_\_ 0-5 days

\_\_\_ 6-14 days

\_\_\_ 14-29 days

\_\_\_ 30 days or more

**3. What is your average transcription turnaround time for operative reports?**

\_\_\_ 24 hours or less

\_\_\_ 25-48 hours

\_\_\_ More than 48 hours

**4. What is your average coding turnaround time?**

\_\_\_ 1-2 days

\_\_\_ 3-5 days

\_\_\_ Other please specify \_\_\_\_\_

5. On average, how many days following surgery to claim submission at your ASC?

- 1-2 days
- 3-5 days
- 7-10 days
- 11 days or more

6. On average, how long after claims submission does your Billing Department begin follow-up on unpaid ELECTRONICALLY SUBMITTED claims?

- Within 30 days
- 45 days
- 60 days
- More than 60 days
- Other please specify \_\_\_\_\_

7. On average, how long after claims submission does your Billing Department begin follow-up on unpaid claims SUBMITTED ON PAPER?

- Within 30 days
- 45 days
- 60 days
- More than 60 days
- Other please specify \_\_\_\_\_

8. What is the average denial rate of your ASC's originally submitted claims for all payers?

- 5% or less
- 10-15%
- 16-25%
- Other please specify \_\_\_\_\_

9. Please provide a percentage breakdown of your average aging in A/R ((Total equal to 100%))

- % 30 days or less in A/R \_\_\_\_\_
- % 31-60 days or less in A/R \_\_\_\_\_
- % 61-90 days or less in A/R \_\_\_\_\_
- % 91-120 days or less in A/R \_\_\_\_\_
- % 121--150 days or less in A/R \_\_\_\_\_
- % Greater than 150 days in A/R \_\_\_\_\_

**Thank you!**

10. Your ASC's days in A/R (i.e. AdvantX A/R Flash Report)

\_\_\_\_\_

# ASC CHAMPS PROVIDERS TRAINING SESSION NOTICE

ASC CHAMPS training will be held  
April 5, 2010, 8:00 am—4:00 pm

MPHI

2438 Woodlake Circle  
Okemos, MI 48864-6040

8:00-12:00	CHAMPS Navigation and Review
12:00-1:00	Lunch Break (Lunch will <b>not</b> be provided)
1:00-4:00	We will be working with each ASC in the computer lab to enroll them properly into CHAMPS

ASC providers must register for this session on  
our training website at

[http://www.michigan.gov/mdch/0,1607,7-132-2945\\_5100-127606--,00.html](http://www.michigan.gov/mdch/0,1607,7-132-2945_5100-127606--,00.html)

If this link does not work, please copy & paste into your web browser

**ALL ASC'S THAT WISH  
TO BILL MEDICAID  
CLAIMS SHOULD ATTEND**

## Measuring Performance of Your Collection Agency Account Receivable Solutions (Newest MASA Members)

According to Federal Government data, there are 5,000 collection agencies that operate in the United States. To find one that is best suited to your specific needs, it may be necessary to review exactly what you expect.



*Most creditors evaluate their agency solely on dollars placed and dollars collected. That sounds simple enough, yet I would challenge you to consider many other factors such as:*

- I Review the time frame for the dollars collected as well as the average dollars collected on an account. Some agencies don't work accounts any longer than a few months.
- II Consider a site visit and analyze your observations from this activity. By doing this, you get a feel for the company, its culture and management style, and you can learn first hand the experience of collection tactics that are utilized by the company.
- III Evaluate the collection management's team and their ability to communicate with clients and how they respond to requests and questions.
- IV Ask yourself "How well do they understand the state and federal laws"? Agencies that know the law will better maintain the creditor's image when collecting overdue accounts.

# MASA MEMBERSHIP MEETING

Thursday, March 18, 2010  
11:00 am - 3:00 pm  
Kellogg Center, E. Lansing

11:00 am - 1:00 pm      Membership Meeting / Lunch  
Big 10 Room C - Kellogg Center

1:00 pm - 3:00 pm      Breakout meetings  
-Administrative  
-Clinical  
-Billing & Coding  
-Materials Management

Cost for Members - \$25.00 per person - MUST REGISTER  
Non-Member Cost -\$50.00 per person - MUST REGISTER

**You may pay for this by check at the registration table, or use MASA's PayPal easy payment button**

CLICK HERE TO REGISTER TODAY: [www.michiganasc.com](http://www.michiganasc.com)

MASA is now offering the ability to pay online through ayPal. It is not necessary to have a PayPal account! We do ask that you create the registration portion, then do the payment portion. We would love feedback from you on this new item. Please do not hesitate to contact us if you have questions [laym@ckronline.com](mailto:laym@ckronline.com).



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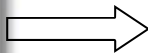
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**[www.michiganasc.com](http://www.michiganasc.com)**

# 2010 MASA SPONSORS



Morgan Services Detroit  
12999 Fairlane Street  
Livonia, MI 48150  
Tel: 734-261-3663 . Fax: 734-261-7147



<http://www.michiganasc.com/advertisingopportunities.html>

**SAVE THE DATE:  
JUNE 17TH  
MASA General Membership Meeting  
Kellogg Center, E. Lansing**

# THANK YOU TO OUR MASA MEMBERS FOR 2010!

*If your facility is not on the list-  
sign up today [www.michiganasc.com](http://www.michiganasc.com)!  
Be a part of the only association  
for ASC's in Michigan!*

- Anderson Eye Surgery Center, LLC
- Beaumont West Bloomfield ASC
- Blake Woods Medical Park Surgery Center
- Bone & Joint Surgery Center of Novi
- Brookside Surgery Center
- Center for Digestive Care
- Eye Surgery Center of Michigan
- Genesis Surgery Center
- Great Lakes Surgical Center, LLC
- Health Park Endoscopy
- HealthCare Midwest Surgery Center
- Lakes Surgery Center (W. Bloomfield SC)
- Lakeshore Eye Surgery Center
- Lakeshore Surgery Center, LLP
- Mackinaw Surgery Center, LLC
- Matrix Surgery Center
- Mercy Memorial Outpatient Surgery Center
- MI Center of Outpatient Ocular Surgery
- Michigan Endoscopy Center
- Michigan Surgical Center
- MidTowne Surgery Center
- Muskegon Surgery Center
- New Millennium Surgery Center
- Northwest Michigan Surgery Center
- Saginaw Valley Endoscopy
- Shoreline ASC
- Southwest Surgical Center
- Superior Endoscopy Center
- Surgery Center of Kalamazoo
- Surgery Center of Michigan
- Surgery Center of Western Michigan
- Surgical Care Center of Michigan
- The Surgery Center
- The Surgery Center of Genesee County
- The Surgical Institute of Michigan
- Towne Centre Surgery Center
- Truvista Surgery Center
- Walker Surgical Center
- Waterford Surgical Center
- West Michigan Surgery Center

## VENDOR MEMBERS

- Account Receivable Solutions Inc.
- Anesthesia Staffing Consultants, Inc.
- Cardinal Health
- Clark Hill PC
- LERC/Amerinet
- McKesson Medical-Surgical
- Medical Protective
- Medline Industries, Inc.
- Mobile Instrument Service & Repair
- Morgan Services
- Paragon Service
- Sohn Linen Service
- Source Medical

## New & Refurbished Anesthesia Equipment



New PM8000  
\$3,450  
\$5,450 w/EtCO2



New PM9000  
w/EtCO2/agent ID  
\$10,950



New Zoll  
AED Plus  
Call for Special \$



Refurbished  
S/5 ADU



Refurbished  
Aestiva



**NEW!** Platinum SC430 with optional Color Touch Screen, Volume, Pressure & Pressure Support Modes, heated absorber & two year warranty.  
Lease to own for only \$535/ month.  
**\$26,900- \$36,900**

Top dollar paid for used/trade-in Aestiva, Aespire, Narkomed GS and Fabius GS.



Refurbished  
Narkomed GS



New Iso/Sevo  
Vaporizers \$2,195  
Dealer price \$1,595



Zoll M-Series  
Defibrillator  
\$3,950

# Paragon Service

800-448-0814

www.ParagonService.com

Fax 734-429-3197



# The Capitol Report

*Bill Kandler, MASA Lobbyist*

Last year, HB 5386, legislation to create a Quality Assurance Assessment Program (QAAP) on physician services, passed the House by a narrow margin. Fortunately, just a few weeks later the bill was killed in the Senate by a vote of 4-32. As soundly as the bill was defeated we knew the concept was not dead.

Sure enough, it is back this year as part of the Governor's budget proposal. The proposal this year is about the same as last year's version. The Governor's 2010-2011 proposed budget includes the passage of a 3% QAAP (physician tax). The proposal assumes that the revenue raised would be used to draw down additional federal matching dollars to increase the funds available for the Medicaid program. The Administration's estimate is that the tax would bring in about \$300 million in new revenue. \$192 million would be used to match federal Medicaid dollars that are to be used to increase Medicaid physician rates by about \$715 million. The Administration asserts that physicians would be made whole and even benefit, by the fact that the additional Medicaid revenue would be used to increase Medicaid rates from approximately 55.6% of Medicare to 100% of Medicare.

There are, of course, several problems with this proposal. There are serious philosophical issues with the very concept of picking out a single profession for a specific tax. But beyond that, there is real doubt that the proposal would even work as the administration proposes. The assumption upon which this scheme is being touted is that a practice would be "made whole" if "just 4%" of revenue comes from Medicaid reimbursement (at the 100% of Medicare rates). This assumption has been brought into question by

The Capitol Report continued.....

several medical practice managers. First, they question the accuracy of the assertion that the increased reimbursement at 4% of revenue from Medicaid would offset the cost of the 3% tax. In addition, I have heard that the model the Administration is using neglects to take other important factors into account. For example, there is no calculation in the proposal to net out the revenue loss that would result from pushing out higher end payers to make room to generate 4% of revenue from Medicaid.

There is real danger that this proposal will see life again this year. The state's fiscal circumstances are so dire that the legislature will, eventually, be forced to look for new revenue. The QAPP proposal looks attractive to some legislators because it not only provides funds to prop up the Medicaid program, but, the first approximately \$108 million dollars it raises is slated to go to the state's general fund. With the problems that the legislature is having funding such things as schools, this idea may, over the next several months, come to look more and more attractive to those who must enact a state budget.

The physician community was successful in defeating this concept once. To do so again will take another concerted effort by the physician community. If passage of this tax is of concern to you, I would ask you to do two things. First, **send me an analysis** showing how the proposal does not work financially, for your particular operation. That would help us make the case that the proposal is not sound on its face. I have a couple of examples, but more would help me to make the case. I can keep your name confidential, I just need the data. Second, I would ask that all **ASC Administrator's, and all of your physician owners, contact the legislators** who represent both the area where you live and where you work and express your opposition to this tax. Explain how it will impact your operation and the jobs you provide.

With the State of Michigan in such poor financial shape, legislators will be looking for the least painful (politically) path. If you are to keep the QAAP from becoming law, it is essential that it not be that least painful alternative.

# HIT THE MARK



**Make sure your facility hits its mark for 2010!**

**MASA can help!**

**Join us for the  
4th Annual MASA Education Day**

**October 28 & 29, 2010**

**Soaring Eagle—Mt. Pleasant Michigan**

**Watch our website in the coming month for more  
information on:**

**Conference Registration  
Hotel Registration  
Vendor Registration  
Sponsorship Information  
Agenda**

## OTHER ITEMS OF INTEREST

CMS Sponsored Calls

2010 National Provider Conference Calls

Basic Introduction to ICD-10-CM

When: Tuesday, March 23, 2010

1:00 p.m. – 2:30 p.m. Eastern Daylight Time (EDT)

follow link to register

[http://www.cms.hhs.gov/ICD10/07\\_CMS\\_Sponsored\\_Calls.asp](http://www.cms.hhs.gov/ICD10/07_CMS_Sponsored_Calls.asp)

Did you know that MASA now accepts a convenient payment method for registration?

PayPal is now available for all MASA event registration!



### Another value added service for our members— EMPLOYMENT POSTINGS

MASA has an employment section on our website which is free to members—check it out today!

#### CURRENT POSTING:

##### Leadership Position Available

- Northwest Michigan Surgery Center is seeking an Operating Room RN Coordinator to join our dynamic multi-specialty facility.
- Candidates must possess a BSN and current CNOR (or obtain within one year).
- Previous OR Circulating experience required. Prefer a minimum of one year in a leadership position in the OR setting with demonstrated excellent communication, clinical and customer service skills.
- Current licensure in the State of Michigan and BLS required. Knowledge of AORN, AAAHC and CMS standards essential.

• Qualified candidates may submit a resume and letter of interest to:

• Tina Piotrowski, RN, BSN

• Clinical Director

• Northwest Michigan Surgery Center

• 4100 Park Forest Drive

• Traverse City, MI. 49684

• [tpiotrowski@northwestmichigansurgervcenter.com](mailto:tpiotrowski@northwestmichigansurgervcenter.com)