

Part B Insider (Multispecialty) Coding Alert

Ambulatory Surgery Centers: Keep On-Site ASCs Totally Separate From Offices

Mix your practice with your ASC, and you risk damaging both

It seems so tempting to open an ambulatory surgery center in that empty suite behind your clinic offices. But don't let your practice get too cozy with the on-site ASC, or you'll pay the price.

"I often get calls from physicians who start building an ASC in their office without realizing they may not get reimbursement from government programs and other payers," says **Caryl Serbin**, president of Surgical Consultants of America in Fort Myers, Fla.

If you want to avoid billing and legal problems, management consultants suggest the following steps:

Pay attention to state licensure requirements. The only thing state requirements have in common is that every state is totally different, says consultant **Gary Matthews** with Physicians HealthCare Advisors in Atlanta. Some states require a certificate of need, which you can only obtain when the state decides there's unmet demand for services.

Keep expenses separate. In some states, ASCs must be separate companies from physician offices, but in all states, ASCs must have their own expenses and accounts, Matthews says. It's important to treat the office and the surgery center as two separate revenue centers. Medicare billing and some states' licensure depend on billing separately.

"I discourage the sharing of practice resources with the ASC," Serbin says. "It is rare to find practice staff who also have the ASC coding and billing skills necessary to maximize ASC reimbursement. The sharing of staff can also lead to competition between the two entities and staff morale issues."

"You can be as precise as having time clocks for when people check in and out of different areas if it's all connected," Matthews says. Or you can make a "guesstimate" of how much time a person spends in the ASC versus the physician office. A person could be assigned 0.4 full-time equivalents in the office and 0.6 FTEs in the ASC.