

What H126 Amend Certificate of Need Laws Says About ASC's

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THE NEW MASKS ARE
DESIGNED TO HELP PATIENTS
FEEL MORE AT EASE...



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Basics on Outpatient Surgery

What the Statutes Say About ASCs in General

- (1c) "Ambulatory surgical program" means a formal program for providing on a same-day basis those surgical procedures which require local, regional or general anesthesia and a period of post-operative observation to patients whose admission for more than 24 hours is determined, prior to surgery or gastrointestinal endoscopy, to be medically unnecessary.

Where It Is Performed

- Hospital Operating Room (HOPD)
- Ambulatory Surgery Center (ASC)
- Procedure Rooms
- Physicians Office

ASC Ownership Varies

Joint partnership with hospitals and physicians, physicians only,
hospital only or private companies only

2018 North Carolina Surgery Utilization

72.3% of surgical cases were ambulatory
and 27.7% were inpatient

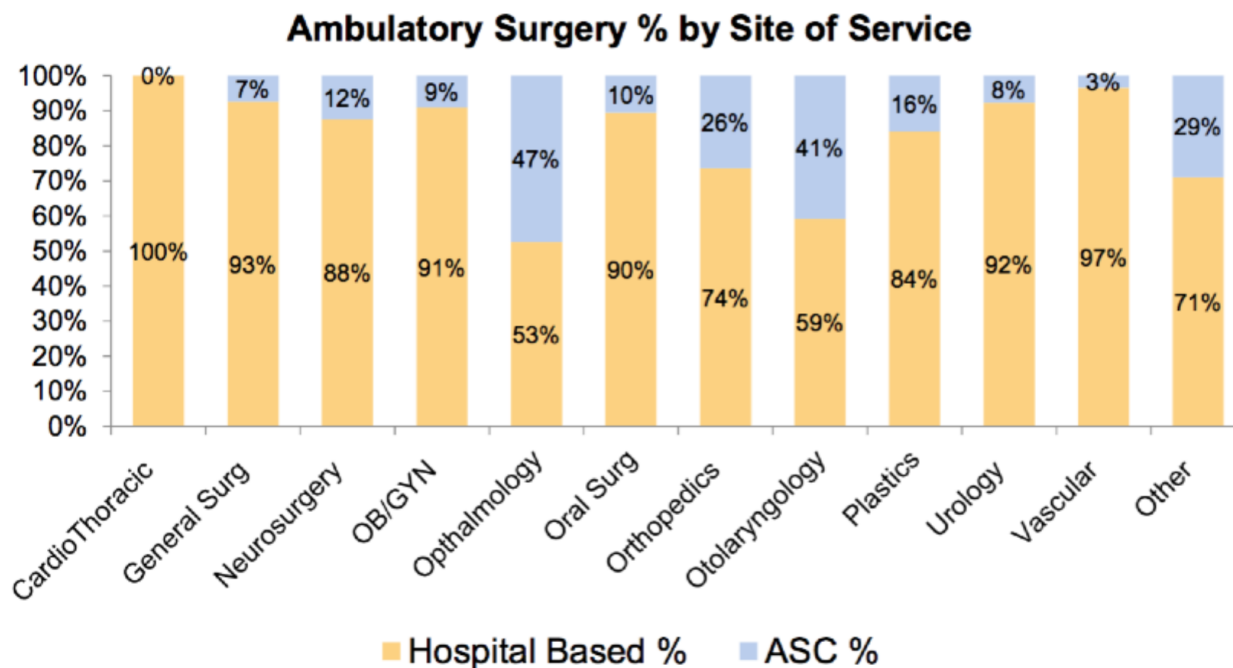
National Shift to ASC's

As of 2017, more than half of outpatient surgeries were performed in an ASC setting, up from 32% in 2005.

https://www.researchandmarkets.com/reports/4850450/2019-ambulatory-surgery-center-market-report?utm_code=644v8f&utm_medium=BW

Where Outpatient Surgery is Performed in North Carolina

The majority of ambulatory surgery for all specialties is performed in hospital outpatient departments.



Source: Division of Health Service Regulation data, 2014

NC Is Far Below
National ASC Averages
Why?

North Carolina has 70% Fewer Surgical Outpatient Surgery Centers (ASC's) than the national average—Patients paying over double the cost and having less access to vital healthcare. Support eliminating CON for ASC's.

	North Carolina 2019	U S Total 2018
Total Licensed ASCs (Includes All Specialty Types of ASCs)	120	5,645
Licensed Surgical ASCs (Excludes Endoscopy Only ASCs)	48	5,051
US Census Population	10,488,084	327,167,434
Surgical ASCs per 100,000	0.46	1.54

**2019 North Carolina Licensed ASCs are based on NC Division of Health Service Regulation
Acute and Home Care Licensure and Certification Section**

**2018 U S Total Licensed ASCs are based on 2018 CMS Data reported by Becker's ASC, Number of Medicare-
certified ASCs per State.**

What does this shortage
of ASCs mean for the
patient?

Higher Surgery Costs for All Services



Estimate Health Care Costs

Estimated Treatment Cost Results

Cost estimates are averages based on historical BCBSNC claims data. Amounts listed typically include physician fees, facility fees and costs for things like anesthesia, drugs, medical supplies – as well as customer responsibility (deductible, co-pay and co-insurance). Your actual costs may be different based on variations in these factors as well as your health plan design, deductibles/co-insurance and out-of-pocket limits.

ACL Repair by Arthroscopy

Raleigh

Physician Owned

North Carolina Specialty Hospital
(Durham)

\$9,964

Blue Options, Blue Advantage

Hospital Owned

Duke Raleigh Hospital

\$20,389

Blue Options,
Blue Advantage



Estimate Health Care Costs

Cataract Surgery

Columbus County

Non-Hospital

Wilmington Surgcare

Blue Options, Blue Advantage

\$2,463

Hospital

Novant - Brunswick Medical Center

Blue Options, Blue Advantage

\$7,340

Mecklenburg County

Physician Owned

Eye Surgery & Laser Clinic (Concord)

Blue Options, Blue Advantage

\$1,643

Hospital

Novant Health Presbyterian
Med Center (Charlotte)

Blue Options, Blue Advantage

\$11,871

Advantages of ASC

- The Centers for Disease Control and Prevention show that in 2010 approximately 8.95 in 1,000 patients developed a surgical site infection (SSI) in the hospital setting. However, only 4.84 in 1,000 patients who had surgery at an ASC developed an SSI requiring inpatient treatment within 30 days of surgery.
- Greater access to care
- Easier billing for procedures

How Does H126 Address ASC's

PART II. REFORMS EFFECTIVE 18 MONTHS AFTER THE BILL BECOMES LAW

SECTION 2.(a) G.S. 131E-176 reads as rewritten:

"§ 131E-176. Definitions.

- r. ~~The conversion of a specialty ambulatory surgical program to a multispecialty ambulatory surgical program or the addition of a specialty to a specialty ambulatory surgical program.~~

Multi-Specialty ASC Definition

- (15a) "Multispecialty ambulatory surgical program" means a formal program for providing on a same-day basis surgical procedures for at least three of the following specialty areas: gynecology, otolaryngology, plastic surgery, general surgery, ophthalmology, orthopedic, or oral surgery.

Reasons for Gentle Approach

- Concerns about unintended consequences with full CON repeal for operating rooms
- Complaints from existing operating room CON holders that their costs should be recovered
- Possible flooding of market with new ASC's

Benefits of Single to Multi

- **Multispecialty ASFs serve higher proportion of indigent patients as compared to single specialty ASF because the multispecialty facilities have a broader patient base**
- **Allows only current CON operating room holders to compete with each other**
- **Potential to bring NC more in line with national ASC averages with more affordable care**

Wallet Hub Ranks NC 50th across 43 measures of cost, accessibility and outcome

Taking legislation action to begin the process of updating our CON laws will help improve our ranking.