18-042

WeCare tlc®
Healthcare At Work

February 11, 2019

Administrator Courtney Avery
Illinois Health Facilities and Services Review Board
525 West Jefferson, Second Floor
Springfield, IL 62761

Dear Administrator Avery:

I am writing to you on behalf of WeCare tlc, LLC (WeCare) and in support of the Quincy Medical Group (QMG) Surgery Center. WeCare is a limited liability company that manages and operates on-site or near-site health clinics that serves the employee population of contracting employers. WeCare's mission is to maintain our clients' confidence, good faith, reliance, and trust to see our health centers as trusted medical homes by successfully maintaining and improving employees' health and wellness.

WeCare has had the distinct pleasure of serving employee populations in several states, including Illinois and Indiana. Over the years, WeCare has worked alongside QMG to help further the missions of QMG and WeCare, and, of course, with the joint vision of reducing healthcare costs while improving patient outcomes.

Based on our business relationship with local employers, it has been reported that the Quincy area has appreciably higher costs of healthcare in comparison to other areas of Illinois. Accordingly, some employers have turned to WeCare's primary care services to help reduce the burden of the rising cost of healthcare. Unfortunately, in the interim, costs associated with outpatient procedures has continued to increase with no immediate solution available.

In that regard, QMG Surgery Center would, unquestionably, provide a more cost-effective alternative to local hospital outpatient surgeries being offered to the Quincy area. It has been relayed to WeCare that identical services being performed in current, local hospital outpatient facilities could be performed in the QMG Surgery Center by similarly-qualified physicians at a thirty percent (30%) reduction in current rates.

The reduction in healthcare costs incurred and offering of a convenient, high-quality surgical center would be an absolute boon to the Quincy area—not only in terms of health care savings and improvement of patient outcomes, but also in the creation of jobs and attraction of highly-skilled, qualified physicians to the area.

WeCare wholeheartedly supports the proposal and asks for the approval of Quincy Medical Group Surgery Center (project #18-042) certificate of need application.

Sincerely,

Judy Garber, President
WeCare tlc, LLC

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Second Floor
Springfield, IL 62761

Re: Quincy Medical Group Surgery Center (Project #18-042)

Dear Ms. Avery,

My name is Dr. Adam Rafi. I'm currently in my final year of fellowship in interventional cardiology at the University of Florida Health in Jacksonville, Florida. I will complete my interventional fellowship at the end of June and am extremely excited to be joining the Quincy Medical Group family.

I understand that my relocation to Quincy will provide continuity to the group's practice and service the historic volume of cardiovascular referrals from within the Quincy Medical Group system.

During my recruitment visit, I was impressed with the group's established practice and culture. I'm excited to have the opportunity to work along highly skilled and compassionate cardiologists, like Dr. Derian and others. The fact that the group is physician owned and led played a large part in my decision as I value the many benefits that come with working in a physician group, as opposed to being employed with a hospital or health system. Quincy Medical Group will be a great fit for me both personally and professionally.

It's also really exciting to me that Quincy Medical Group is in the process of seeking approval to incorporate catheterization service in its proposed ambulatory surgery center. Peripheral arterial disease procedures and interventions have continued to be performed for over 10 years in an outpatient setting and have demonstrated that these procedures can be performed safely and comfortably. The outpatient surgery center and associated services will enable the

health care provider to provide efficient, timely, cost effective and high quality patient/cardiovascular care. CMS has continued to strive for patient safety and limiting cost to the health care system. They have determined that these procedures do not pose a significant risk when performed in an ambulatory surgery center. There has been rapid approval from CMS in other specialties such as orthopaedics involving total joint replacement in an outpatient setting. Multiple outpatient surgery centers are presently being built or have already been built in my present state of Florida to help provide cost effective care and improved patient outcomes and satisfaction to help our health care system evolve.

Since 2010, the trend has continued for more patients to receive invasive and interventional cardiology treatment/services in an outpatient setting as evidenced by Medicare data. The vision of the group to construct the outpatient surgery center demonstrates to me that the group is forward-thinking as the project will implement CMS' newly established rules that encourage cardiac catheterization to be performed in surgery centers. Quincy Medical Group continues to be on the forefront of change to more cost effective and efficient delivery of care as well as helping to enable health care providers to provide timely care and health care services to the nearby communities around Quincy. I'm excited to have the opportunity to be a part of that change.

I urge and would greatly appreciate approval of this project.

Thank you,

Adam Rafi

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Second Floor
Springfield, IL 62761

Re: Quincy Medical Group Surgery Center (Project #18-042)

Dear Ms. Avery,

Please accept these articles that support the safety and efficacy of performing cardiac catheterizations in an ASTC such as the proposed Quincy Medical Group ASTC.

Thank you,

Richard F. Schlepphorst

Richard Schlepphorst
Chief Medical Officer
Quincy Medical Group

MEDTECHDIVE

BRIEF

# CMS pitches covering cardiac catheterization at surgical centers

By Susan Kelly

Published July 30, 2018

**Dive Brief:**

- CMS is proposing to add 12 cardiac catheterization procedures to its coverage list for ambulatory surgical centers (ASC) as the agency looks to accelerate a shift to the lower-cost settings. The changes are part of a broader proposed rule that would revise the Medicare hospital outpatient prospective payment system (OPPS) and ASC payment system for 2019.
- CMS estimated that if 5% of cardiac catheterization procedures migrated from the hospital outpatient setting to the ASC setting as a result of the proposed policy, Medicare payments would be reduced by about $35 million in 2019, and total beneficiary co-payments would decline by about $14 million.
- The agency said it has assessed each of the procedures against the regulatory safety criteria and believes they may be appropriately performed in an ASC. CMS is requesting comments from stakeholders on any specific safety concerns related to performing the 12 cardiac catheterization procedures in an ASC, due Sept. 24.

**Dive Insight:**

More and more outpatient surgical procedures are being performed at non-hospital facilities such as freestanding ambulatory surgical centers and physician offices, instead of in hospital-based departments. Amid the shift, some hospitals and health systems have acquired ambulatory surgery centers or formed joint ventures with surgeons in these centers.

Cardiac catheterization is often done on an outpatient basis at the hospital to detect or evaluate heart conditions. The procedure involves advancing a small catheter to the heart from a vessel in the groin or the arm. CMS said the 12 cardiac procedures it would add to the ASC coverage list are not expected to require active medical monitoring and care of the patient following the procedure.

CMS said the changes would mean lower costs for patients. Beneficiary coinsurance is always 20% for procedures in ambulatory centers but ranges from 20% to 40% for outpatient procedures performed in hospitals. In addition, ASC payment rates are almost always lower than OPPS rates for the same procedures, CMS said.

Hospitals and surgeons are also watching CMS coverage changes on lucrative total knee replacement procedures. CMS removed total joint replacements from the inpatient-only list in 2018, and in July proposed adding the procedures to the ASC coverage list. CMS is seeking comments on that proposal until Sept. 11.

Jefferies analysts expect CMS will eventually add coverage for knee replacements at ambulatory surgical centers.

"We continue to believe that total knee replacements are likely to be added to the ASC covered procedure list in 2020 or 2021 based on the procedure's removal from the Inpatient-only list in last year's payment rule, and that total and partial hip replacements are likely to soon follow, given that these

procedures are routinely performed in ASCs on non-Medicare patients," the analysts said in a research note.

**Recommended Reading:**

CMS
Medicare Program: Proposed Changes to Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs

Published on *Cath Lab Digest* (https://www.cathlabdigest.com)

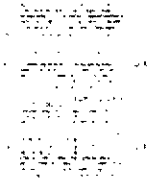


# Cardiovascular Procedures 2019: Is the Future Here?



**Author(s):**
Marc Toth, CEO, ACA Cardiovascular, Tucson, Arizona

**Issue Number:** Volume 26 - Issue 9 - September 2018 [1]



[2]As our healthcare industry evolves and innovates, providers, payers, life sciences companies, and the government are facing challenges every day. Key stakeholders are working to improve care and outcomes, while reducing costs and spending. A part of that innovation includes transformational technologies and clinical trends impacting the cardiovascular market. One new trend beginning to cement itself as a rock-solid strategy is the evolution of the cardiovascular hybrid ambulatory surgery center (ASC).

[3]Centers for Medicare and Medicaid Services (CMS) recently published the 2019 Proposed Payment Schedule for Hospital Outpatient Services and Ambulatory Surgery Centers, which will be finalized in November and go into effect January 1, 2019. As per usual, there are rate fluctuations in many codes that send every doctor, special interest, and industry group scrambling to understand the impact on their particular site of service. In the cardiovascular space, new coronary procedure codes have been proposed for the ASC, and we can see volatility in the physician office and ASC rates for peripheral arterial disease (PAD) and fistula work.

CMS comments in the Proposed 2019 ASC rule note:

"We are proposing to update the list of ASC-covered surgical procedures by adding 12 cardiac catheterization procedures... After reviewing the clinical characteristics of these procedures and consulting with stakeholders and our clinical advisors, we determined that these 12 procedures are separately paid under the OPPS, would not be expected to pose a significant risk to beneficiary safety when performed in an ASC, and would not be expected to require active medical monitoring and care of the beneficiary at midnight following the procedure."

Many insiders are articulating the idea that adding these procedures well may be a test to see how well the migration to outpatient for low-risk diagnostic caths will be handled by physician groups, as well as patients. The outpatient migration of PAD procedures from the hospital to the office-based lab (OBL) over the past 10 years has demonstrated how these procedures can be performed safely and comfortably in an outpatient setting.

The addition of the ASC site of service (or creating a hybrid OBL/ASC) will allow cardiologists to offer versatility and diversify procedures. This strategy allows risk mitigation when CMS dramatically changes payment rates and can put cardiologists back into the driver's seat in the delivery of innovative, high-quality cardiovascular care.

Heart Care Centers of Illinois was founded in the 1970's to meet the growing demand for convenient cardiac care in their community. The group has always advanced care in optimized settings and offer services with top-tier outcomes. Dr. Robert Iaffaldano, medical director of a new ASC for cardiovascular care for his practice, notes, "Cardiovascular care of the future will be in the care setting most appropriate for the patient and the procedure being done. Twenty years ago, no one could have imagined restoring blood flow to a limb with ischemia outside of the hospital. Today that is the most common site for these types of procedures. Private insurances have always been supportive of this type of innovation, so it is good to see Medicare/CMS take a step toward cardiac cath outside of hospital settings."

The history and evolution of the ASC has favored an expanding scope of service. As operators, tools, and technology have advanced, the ASC has consistently become a safer and more cost-effective site of service for procedures. In addition to venous and dialysis vascular access work, the cardiovascular procedure outpatient shift accelerated with the migration of electrophysiology implantable procedures and PAD procedures to the outpatient site of service. The continuing advancement of minimally invasive services into the ASC is evident with the proposed addition of diagnostic coronary caths for 2019.

There has been a flurry of articles related to the outpatient migration of cardiovascular services. The shifting of percutaneous coronary intervention (PCI) and other cardiovascular procedures to the ASC could be considered a logical progression, based on the following reasons:

1) Safety;

2) Improved patient experience;

3) Cost;

4) CMS already moving in this direction;

5) Commercial payers already supporting this strategy;

6) Procedures in ASCs support the goals of accountable care organizations (ACOs) and value-based models of care.

These arguments, and the proposed approval of diagnostic coronary caths in 2019, are paving the way for an expansion of cardiovascular services in the ASC setting. CMS responded to input from stakeholders that certain procedures outside the Current

Procedural Terminology (CPT) surgical range, but similar to surgical procedures currently covered in an ASC setting, should be ASC-covered surgical procedures. More specifically, stakeholders recommended adding certain cardiovascular procedures to the ASC Covered Procedures List (CPL), due to their similarity to currently covered peripheral endovascular procedures in the surgical code range for surgery and cardiovascular systems. Based on this review, CMS is proposing to update the list of ASC-covered surgical procedures by adding 12 cardiac catheterization procedures to the list for CY 2019 (Table 1).

CMS has determined that these 12 procedures are separately paid under the Medicare Hospital Outpatient Prospective Payment System (OPPS), would not be expected to pose a significant risk to beneficiary safety when performed in an ASC, and would not be expected to require active medical monitoring and care of the beneficiary at midnight following the procedure. CMS seems willing to tread into this domain, with their eye on safety and cost to the system.

With the clinical success of diagnostic cardiac procedures performed safely in the ASC, this will quickly open the door to PCI. Notably, CMS published the following addendum to the Professional Fee Schedule for 2019 (Table 2). Is this foreshadowing the approval of PCI? Many applaud CMS' focus on the "continuum of care" for patients. Why allow a diagnostic angiogram and not allow the intervention in the same site of service?

We have seen rapid approval progression in other specialties such as orthopedics, which now allows total joint replacements and level 1 spinal fusion in the ASC setting. If you can replace hips and knees and fuse the spine in an ASC, why couldn't interventionists deploy a stent? n

*ACA Cardiovascular wants to keep you abreast of ambulatory strategies and promote the peer-to-peer learnings of those who begin or already include an ASC as a part of their ambulatory strategy. We are hosting a webinar on 2019 CMS Proposed Payment Schedule for Ambulatory Strategy and the Cardiovascular ASC on September 25th at 1 pm EST.*

*Visit http://www.acacardiovascular.com/ [4] to learn more, or contact Marc Toth at mtoth@acacardiovascular.com [5].*

**CLD**

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# Cardiac procedures are the 'total joints of tomorrow' for ASCs — 3 Qs with Outpatient HealthCare Strategies' Jessica Nantz

Written by Rachel Popa | February 11, 2019 | Print | Email

Total joints and cardiac procedures are two of the biggest opportunities for ASCs in 2019, according to Jessica Nantz, president of Spring, Texas-based Outpatient HealthCare Strategies.

Here, she shares additional insights on challenges and future growth areas for ASCs.

*Note: Responses have been lightly edited for clarity and style.*

**Question: What is the biggest growth opportunity for ASCs in 2019?**

**Jessica Nantz:** The biggest opportunities for growth concern launching total joint replacement and cardiology programs or, if an ASC already has such programs, adding more total joint replacement and cardiology procedures.

In the past few years, we have seen an explosion of ASCs performing total joint replacements, as demonstrated by this list of some of the ASCs with total joint replacement programs. Surgeons have become more proficient with minimally invasive techniques, which has increased the number of patients who can safely receive a total joint replacement in an ASC. Third-party payers, appreciating the cost savings that can be achieved without a loss of quality (and sometimes an improvement) by moving these cases into ASCs, are increasingly embracing ASC total joint replacement programs by providing fair reimbursement and expressing a willingness to explore alternative payment models, such as bundles.

Furthermore, recognizing the burgeoning market for ASC total joints, medical device companies are launching ASC-focused total joint divisions, which are developing new, cost-efficient technologies. Those companies that have catered to the ASC total joint market for some time are acknowledging the need to lower their device costs to remain competitive, thus making it easier for ASCs to launch and grow a program.

Cardiac procedures are thetotal joints of tomorrow for ASCs. In the final 2019 payment rule, a revision by CMS of the definition of 'surgery' resulted in the addition of 12 cardiac catheterization diagnostic procedures to the Medicare ASC payable list. CMS also added five other procedures often performed alongside those cardiac catheterization procedures.

While some ASCs are already performing cardiac procedures, the final rule provides further support for migrating select cardiac procedures out of the hospital and into the ASC. With private payers showing an appetite for covering these types of procedures, we anticipate seeing a surge in the number of ASCs — particularly those that are more innovative and aggressive — performing more cardiac procedures as CMS adds even more of them to their approved procedure list in the coming year(s).

**Q: What are the greatest challenges you expect to face in 2019?**

**JN:** A significant challenge that needs more attention is replacing operating room circulators and scrub techs. There have been shortages of both positions in many parts of the country. For some markets, recruiting these positions is becoming increasingly difficult.

As the shortage grows and demand climbs, ASCs will need to allocate more time and resources toward recruiting for these positions. Doing so may require looking outside their market for strong candidates, which

creates its own challenges. To entice someone to relocate will likely require a very competitive offer that may need to include a signing bonus, covering relocation costs and a higher salary than previous employees received. At a time when expense control is a high priority for many ASCs, such an investment may be difficult.

**Q: How do you see the ASC industry growing in the next five to 10 years?**

**JN:** A case can be made that 2018 was one of the better years for ASCs, with the final rule delivering multiple wins. Hospitals, health systems, management companies, payers and private equity are targeting ASCs for acquisition and/or investments. Surgery centers find themselves in a very strong position in the broader healthcare market.

Growth will primarily come from the continued migration of higher-acuity patients into ASCs. If a procedure can be safely performed in a surgery center, it should be performed in a surgery center. Such a mentality — embraced by progressive surgeons and ASC leadership — has been the driving force behind the movement of so many spine, gynecology, total joint and cardiac procedures into ASCs.

As surgeons further strengthen their skills and develop new approaches to surgery, and as medical device companies launch new technologies to support or even create advanced surgical approaches, we can expect to see procedures that no one imagined could be performed outside of a hospital eventually becoming commonplace in ASCs.

*To participate in future Becker's Q&As, contact Rachel Popa at rpopa@beckershealthcare.com.*

*For a deeper dive into ASC industry trends, attend the Becker's 17th Annual Future of Spine + Spine, Orthopedic & Pain Management-Driven ASC in Chicago, June 13-15, 2019. Click here to learn more and register.*

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