FOCUS ON: Quality

Physician Leadership Meeting Underscores Emphasis on Quality

QUALITY – it's one of the most common themes in healthcare these days. Patients expect it, payors demand it and nearly every healthcare facility claims to have it. But what is quality and how is it measured?

These are just a few of the issues addressed at this year's Medical Directors Physicians Leadership Meeting, in Scottsdale, Arizona, February 8-9. The event, which brought together Medical Directors from Symbion facilities around the country, provided an opportunity for attendees to learn about new quality initiatives within the company as well as issues affecting all short-stay surgical facilities.

Among the highlights of the event was a presentation from David Lensch, M.D., Medical Director of Wilmington SurgCare in Wilmington, N.C., and Chairman of Symbion's Corporate Quality Council. The Council, which meets quarterly to review risk management activities and benchmark data,



evaluate common issues and make policy recommendations as needed, is comprised of seven physicians as well as Facility Administrators and corporate staff representing each of the company's regions.

In addition to providing an update on the Council's ongoing activities, Dr. Lensch shared details about the company's new incident reporting system, which will be deployed in each of Symbion's facilities by the fourth quarter of 2008. The automated system will feature enhanced reporting capabilities designed to enable facilities to more easily benchmark their progress against historical data from their facility as well as other centers around the nation.

The new system will also allow the Quality Council to better track trends on a corporate level and shape programs and policies designed to minimize risk and ensure that patients receive the highest quality of care.

According to Symbion CEO Richard Francis, the committee's leadership in developing the new reporting system is exactly what the

continued on back

ABOUT THE CORPORATE QUALITY COUNCIL

Each facility in Symbion's network has the opportunity to draw upon the resources of more than 70 others through the company's Corporate Quality Council.

Founded in 2001, the Council is comprised of physicians and administrators from each of the company's nine regions. The group meets up to four times a year to review benchmark data, evaluate common issues, share information and best practices, and make policy recommendations. In addition to advising Symbion on quality matters and developing educational programs for facilities, centers can send issues or cases to the Council for review and discussion.

"The Quality Council has been successful because it takes a collaborative approach," said Steve Whitmore, Symbion's Vice President of Corporate Services and the Council's Secretary. "The

purpose is to gather information from the facilities, listen to what has been successful for them and make recommendations based on their input rather than creating mandates."

The Council is just one example of Symbion's focus on quality. Each facility has a performance improvement quality initiative, which addresses issues related to patient safety, risk management, infection control and patient satisfaction.

"Our companywide focus on quality is one of the things that set Symbion and each of the facilities in our network apart," said Cliff Adlerz, President of Symbion. "From caring for patients to partnering with physicians, everything we do comes back to quality. The Council is just one more way that we are continually striving to provide the very best possible care to each patient we serve."

FOCUS ON: Quality continued

company had in mind when it created the Council.

"We believe there is tremendous value in bringing together a group of Medical Directors and Administrators who can provide a hands-on perspective to many of the issues facing short-stay surgical facilities today," he said. "This group has gone above and beyond in addressing important issues and making actionable recommendations that enhance the quality of care and safety of our patients."

Measuring up

Also on the agenda was an update on the Centers for Medicare and Medicaid Services' plans to implement a quality measurement program for surgery centers similar to the one already in place for hospitals and nursing homes.

David Shapiro, M.D., Co-Chair of the ASC Quality Collaboration, a group of ASC leaders and organizations dedicated to advancing high-quality, physician-led and patient-centered care, provided an update on ongoing efforts to establish a set of core clinical measures for surgery centers to track and report.

Under legislation introduced in 2007, ASCs would be required to submit data on a set of quality measures as early as 2009, which would serve as a test period before submission becomes mandatory. Centers that fail to submit data will not qualify for annual reimbursement increases.

CMS has yet to announce exactly what those measures will be; however, five measures proposed by the ASC Quality Collaboration have been endorsed by the National Quality Forum, a non-profit health policy organization. Those measures include patient burns, prophylactic intravenous antibiotic timing, patient falls, wrong site surgery, and hospital admission or transfer.

CMS is expected to issue its final rule in late 2008, which will include more details on the ASC quality reporting system.

PHYSICIANS TEE UP

Despite the busy conference agenda, which also included sessions on legislative challenges to outpatient surgical facilities, coding changes, credentialing, and accreditation, attendees found time to relax with a round of golf at the Chairman's Golf Tournament. Tournament winners included:

KOTI SANGISETTY, M.D.

Physicians Surgical Specialty Hospital, Houma, Louisiana

DAVID LENSCH, M.D.

Wilmington SurgCare, Wilmington, N.C.

THOMAS SEPE, M.D.

Bayside Endoscopy Center, Providence, R.I.

TONY TAPARO

Group President, Atlantic Group



Symbion welcomes new facilities

Symbion recently acquired NeoSpine, a leading developer and operator of outpatient spine surgery facilities. This purchase adds five centers to the Symbion family, including:

- Honolulu Spine Surgery Center in Honolulu, Hawaii
- Microsurgical Spine Center in Puyallup, Wash.
- Minimally Invasive Spine Center in Lafayette, Colo.
- Premier Orthopaedic Surgery Center in Nashville, Tenn.
- Renaissance Surgery Center in Bristol, Tenn.

Symbion also added three de novo facilities to its roster in recent months. Blue Springs Surgery Center, a multi-specialty facility in Orange City, Florida, began seeing patients in June. The 11,000 square-foot center is a joint venture between local physicians, Symbion and Florida Hospital Fish Memorial. More than 200 community and medical leaders toured the state-of-the-art facility at a June open house.

Novi Surgery Center also celebrated its grand opening with a ribbon cutting and open house in June. The 16,000 square foot multi-specialty facility, which features four operating rooms and three procedure rooms, is the result of a partnership between Symbion and 35 physicians. The facility is located within Meadowbrook Medical Center in Novi, Michigan, a suburb of Detroit.

Specialty Surgical Center of Thousand Oaks in

Westlake Village, California, also celebrated its grand opening earlier this year. Developed in partnership with a group of surgeons, the multi-specialty center joins five other Specialty Surgical facilities in Southern California.

A warm welcome to employees and physicians associated with each of these facilities!



FALL 2008

symbion connection

a publication for symbion healthcare employees



2008 Management Conference provides opportunities for growth and recognition

Leaders from Symbion facilities across the country recently gathered in Nashville for the company's 2008 Management Conference. During the three-day event, attendees received updates on company initiatives and industry trends while participating in highly specialized breakout sessions.

One of the highlights of this year's conference was a seminar designed to give Administrators new tools to grow their facilities. Created specifically for Symbion by Dale Carnegie Training, the intensive two-day class taught participants skills for more effectively communicating with physicians in their markets.

According to Gregg Stanley, Symbion's National Group President, Administrators are often the best advocates for their facility.

"No one knows the advantages a facility can offer physicians better than the person who runs it," he said. "However, most Administrators are more comfortable helping out in the O.R. than they are making a sales call. We wanted to help them feel more confident telling their story to potential partners."

Midway through the training, attendees were asked to put what they had learned to the test by calling upon a potential partner and attempting to set up a meeting at their facility. They then reported back to the group on their progress.

"The training definitely opened my eyes to a new

approach," said Kelly Craig, Regional Director of In-Market Development for the National Group. "I ask the same questions as before but just in a different – more effective – way."

Craig, who has since used the new skills to recruit a surgeon who is already performing procedures at one of her facilities, isn't alone in her success putting the new principles to work.

Kathy Abiri, Administrator of Bayside Endoscopy Center in Providence, R.I., also expects to boost her center's volumes with the addition of a gastroenterologist she called on as part of the training exercise.

"This exercise taught me to really listen and gave me the tools to build my confidence," said Abiri. "With declining reimbursements and a weak economy, sales is everybody's job. Every case you can add makes a difference."

To ensure the lessons stay fresh, attendees will receive a one-on-one follow-up session with the Dale Carnegie trainer during the coming months and Symbion's in-market development department will provide continued coaching and support.



Bethany Freeman, Kathy Howton and Diane Gerlach enjoy the festivities at this year's Management Conference.

Symbion recognizes best of the best

Luckily, this year's conference wasn't all work and no play. After enjoying dinner and live music under the stars, attendees took time to celebrate success with the presentation of Symbion's annual Leadership Awards. Nominated by the regional staff, these winners embody Symbion's values and exemplify the hard work and dedication necessary for success. Here's a look at the centers that took top honors:



(L-R) Sherry Oeswein, Tammy Jones, Kathy Arledge and Mindy Vieck

continued inside

DEAR COLLEAGUES



Welcome to another edition of *Symbion Connection*, a publication created especially for Symbion employees. This issue marks our one-year anniversary as a private company. During this initial year, Crestview Partners has proven to be a valuable partner as we continue to

grow and enhance the services we offer patients and physicians. While we remain firmly committed to our mission and guiding principles, this partnership has allowed our company to enjoy increased autonomy, a strong financial position, and the ability to plan and perform with a focused vision for the future.

As many of you know, we recently held our 2008 Management Conference and annual Medical Directors' Conference. Both events provided an opportunity to share information with leadership from each facility and – more importantly – gain valuable insight from both employees and physician partners. In this issue you will learn more about our continued focus on quality and growth, which has been greatly influenced by deliberations from these events.

Finally, you'll read about one of my favorite events of the year – the presentation of our annual Leadership Awards. This year's winners share not only a drive to succeed but also a willingness to step outside of their comfort zones in search of continued improvement. Simply put, the leaders and associates of these facilities represent our company at its very best. I hope you will enjoy reading their stories and find them as inspiring as I did.

Very truly yours,

RICHARD E. FRANCIS JR.

Chairman & Chief Executive Officer

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Center of the Year

Wilmington SurgCare – Wilmington, N.C.

Ask anyone at Wilmington SurgCare the secret to their success and it's likely you'll hear the word teamwork.

It's this collaborative spirit that helped physicians and staff meet – and exceed – benchmarks in everything from case volumes to cash collections and supply costs, earning the facility the coveted Center of the Year award.

According to Administrator James Shafer, frequent meetings



Wilmington SurgCare

and an open door policy are key to creating an environment of mutual respect.

"We strongly believe in giving physicians and employees at every level the opportunity to voice concerns and share ideas," he said. "It creates a positive work environment and patients reap the benefits."

The emphasis on teamwork paid off last year when a major competitor entered the market, forcing Wilmington to defend its market share. Until then, the center had been the only outpatient surgical facility in the area.

"When faced with the threat of our competitor's impressive marketing campaigns and the allure of a brand new facility, we continued to work together and stay focused on our mission to exceed the expectations of our patients, physicians and staff," said Shafer. "This was a huge competitive advantage, and allowed us to outshine the competition."

Turnaround Center of the Year

Vincennes Surgery Center, Vincennes, Ind.

Each year, Symbion recognizes a facility that has overcome significant



Vincennes Surgery Center

obstacles to exceed performance expectations in areas ranging from finance to employee morale. In 2007, Vincennes Surgery Center did just that and more.

When several well-known area physicians retired, the center faced declining volumes and increased competition from the local hospital.

Making matters worse were rising costs and the center's dependency on Medicare and Medicaid for a large portion of its reimbursements. Administrator Mindy Vieck and her team swung into action,

> developing a multi-pronged strategy to retain and grow volumes while reducing costs and boosting employee satisfaction.

Vieck began calling on area physicians to encourage them to visit the facility. The center also negotiated contracts with new insurance providers, making it an option for a larger number of patients, and adopted a flexible staffing plan.

"Employees are now scheduled in accordance with our cases, which eliminates costly downtime and allows staff to enjoy more personal and family time," said Vieck. "It's a win-win situation for everyone."

Today, volumes are up and so is morale. In fact, Vincennes exceeded its projections by 429 cases this year, proving it's never too late for a turnaround.

"Mindy has a positive, can-do attitude and she rarely takes no for an answer," said John Rutherford, Regional Vice President of Operations. "She and her team have done a fabulous job of managing revenue and expenses. They are the reason the center earned this award."

Brinks Award Dupont Surgery Center, Louisville, Ky.

Presented for overall financial excellence, Brinks Award winners must satisfy a long list of criteria in order to receive this prestigious award. Eligible centers are assigned points for their performance in seven key financial areas, including accounts receivable days, inventory days and EBITDA variance.

While this year's winner posted excellent numbers across the board, it was the center's ability to maintain volume while minimizing expenses that helped them take home this prize. In addition to keeping bad debt well below industry standard at 1 percent, Dupont's focus on reducing excess inventory while accelerating the payment cycle resulted in measurable improvement. By streamlining vendors and continuously updating physician preference cards, the facility significantly reduced supply costs. Teamwork in the business office also helped ensure claims were coded properly and

denials and outstanding accounts received constant attention.

According to Co-Administrators Sherry Oeswein and Vicki Lococo

PRESIDENT'S CLUB

Congratulations to the following facilities for meeting financial benchmarks, quality standards and operational goals, earning them a spot in the 2007 President's Club:

Baptist DeSoto Surgery Center

Baptist Germantown Surgery Center

Bayside Endoscopy Center

Center for Special Surgery (Greenville)

Clear Fork Surgery Center

Deland Surgery Center

Dupont Surgery Center

East Memphis Surgery Center

Oxford Surgery Center

Specialty Surgical Center of Beverly Hills (Brighton Way)

The Surgery Center (Columbus)

Union City Surgery Center

Vincennes Surgery Center

Wilmington SurgCare

and Business Office Manager Cheryl Barbour, a cohesive culture is the key to Dupont's victory as well as the center's overall success.

"We emphasize patient satisfaction and quality throughout the

center," said

Oeswein. "Every department works together, creating a powerful synergy that allows us to continue to grow and prosper."

Regional Vice President John Rutherford couldn't agree more. "This is a truly outstanding team that continues to rise to the

challenge of maintaining high levels of patient and provider satisfaction while running a very efficient operation."



grassroots alert

Upcoming election critical to ASCs

With campaign season in full swing and the November elections around the corner, shortstay surgical facilities are being called upon to learn about the candidates and their positions on issues that affect their business.

In addition to the election of a new President, 44 U.S. Senate seats and all 435 House seats are up for grabs – creating the potential for dramatic legislative change on a national level. Because healthcare spending is a topic of focus in nearly every race,

ambulatory surgery centers and surgical hospitals have a vested interest in electing leaders who understand and support - the benefits they deliver to patients and payors.

"This year, more than 20 million surgical procedures will be performed

in an ASC and yet many elected officials still know very little about the services we provide," said Kathy Bryant, President of the Ambulatory Surgery Center Association (ASCA). "If we want to prevent government actions that restrict our ability to provide the highest quality care, ASCs need to reach out to candidates and current representatives to let them know about the safety, convenience, and cost-effectiveness of the services we provide."

Taking a stand

Symbion's Timberlake Surgery Center in Chesterfield, Mo., is among the hundreds of ASCs nationwide heeding this call to action. The multi-specialty center recently invited local and state leaders into their facility as part of ASCA's National Open House Day.

"The hospitals in our state are very active in politics so we felt it was important to have an equal voice in the discussion," said Timberlake Administrator Beverly Baker. "This event allowed us to become more than a name to them."

More than 50 people attended the August 13 open house, including gubernatorial candidate Jay Nixon, State Representatives Jeff Roorda and

> Jane Cunningham and State Senator John Loudon. In addition to touring the facility and meeting with physicians, attendees received information on the benefits of ASCs as well as an overview of pending federal legislation that would change the



Timberlake staff members Vafa Foroughi, M.D. and Jean Ellinger, R.N. flank Rep. Jane Cunningham

definition of a hospital to include short-stay surgery facilities.

"All of the politicians – and even some of our local physicians - were surprised to learn that ASCs save Medicare an average of \$320 per case," said Baker. "When you consider that we performed 311 cases on Medicare patients last year, our facility alone saved the government nearly \$100,000. That's a real eye-opener for a lot of people."

As a result of the event, Timberlake physicians and management are working to schedule more in-depth roundtable discussions with several politicians, including Senator Christopher "Kit" Bond and Dr. Sam



Timberlake Administrator Beverly Baker and Missouri Attorney General Jay Nixon

Page, a candidate for Lieutenant Governor. Baker urges all ASCs to reach out to local community and government leaders. "If we don't step up to provide leaders with this information, no one will."

BY THE NUMBERS

Below is a look at some of the proposed changes to the ASC payment system:

- ➤ **86**% The Medicare percentage of hospital outpatient department reimbursement rates ASCs received in 2003
- ➤ 65% The percentage of hospital outpatient department rates ASCs now receive following a multi-year payment freeze
- ➤ 2011 The year through which the President's 2009 budget proposes extending the payment freeze on ASCs despite rising staffing and supply costs

WHAT YOU CAN DO

Ask your elected officials to support the Ambulatory Surgical Center Medicare Payment Modernization Act (H.R. 1823/S. 2250), which would reimburse ASCs at a uniform percentage (75%) of the base rates paid to hospital outpatient departments while providing comparable annual updates and adjustments.

For information on this bill and the proposed 2009 payment policies, visit www.ascassociation.org