



**▲ OCULAR OPPORTUNITY** (Left to right) Jerry Sebag, MD, FACS, FRCO; scrub Summer Gorjian, LVN; and lead tech Katasha Cramer, ST, performing outpatient retina surgery.

# Retina Rising

How one facility added  
— and is profiting from  
— posterior segment surgery.

Regina Boore, RN, BSN, MS  
Newport Beach, Calif.

**W**e began performing vitreoretinal procedures at our 2-OR ophthalmic surgery center in February 2009. It's turned out to be a good business move for us. A little more than a year in, we're doing 20 to 25 of the cases a month and profiting from them. Adding retina at the Newport Bay Surgery Center took some planning, but it wasn't a difficult process. It was largely just a matter of coordinating surgical talent with the equipment and supplies they'd need to do the job.

## Why retina is hot

Rising facility fee reimbursements for common posterior segment surgeries are making the retina subspecialty a more appealing opportunity for outpatient surgery centers (see "Retina Reimbursements on the Rise" on page 62). We're into the third year of Medicare's 4-year phase-in for its revised ASC payment system, getting 75% of the new rates and 25% of the old ones. Next year the revised rates will be in full effect.

If you're already staffed and equipped for cataract and other eye surgeries, retina is a natural progression. Adding vitreoretinal services also holds the potential for convenience and efficiency for your surgeons. In our community, the vast majority of retina procedures are done in local hospitals. For some physicians, that's where they feel safe and comfortable. Others, however, may be aggravated by the inefficiencies of the hospital OR environment and frustrated by the lack of competence and specialized skills in the OR staff. An ophthalmic ASC, on the other hand, can offer more flexible scheduling and specialty trained nurses and techs to optimize surgeons' experiences and throughput.

## The right surgeons

Building a successful retina program at your ASC starts with the surgeons. You'll need to recruit physicians who can work quickly and who are

skilled in the small-gauge techniques that have made outpatient vitreoretinal procedures possible.

In the summer of 2008, we reached out to the ophthalmologists in our community and, through a series of discussions, identified the retinal surgeons who would be most likely to utilize our center for their cases. We met with most of the surgeons who'd been recommended, inviting them to the facility, giving them a tour, even watching them perform surgery at the hospital to get a sense of their practice patterns in terms of OR time, case flow and equipment and supply preference.

There were 3 main criteria through which we selected the surgeon with whom we'd collaborate to start our retina service. First, he had to be fast. We'd met with surgeons who said they were typically in the OR for 90 minutes a case. That wasn't the efficiency we were looking for. The surgeon we eventually brought before our board demonstrated

an average case time of 15 to 30 minutes.

Second, he had to be willing to teach us. We were a young facility, less than a year old, when we started up our retina program, so our clinical staff didn't have a great depth of experience in the subspecialty. Our ideal candidate would need to understand that and be willing to assume leadership in the process to educate our staff along the way, which would benefit him, the facility and his patients.

Third, he had to understand and be able to work with the economics of the "ASC mentality." Rising reimbursements were making retina a promising opportunity, but we'd have to be cost-effective to turn a profit from them. Finding a surgeon who "got it" in terms of the efficient purchase and use of equipment and supplies was essential. We offered him the opportunity to invest in our facility, which not only gave him a personal stake in our success but helped defray the capital acquisition costs asso-

# Cataract Outsourcing

## Easy... and Profitable!

Take advantage of the "Vantage Package". Vantage Outsourcing includes everything you need to offer high-quality cataract services to your patients and helps you control your costs.

With Cataract Outsourcing you pay only for cases performed.

### Cataract Outsourcing

Contact us today to see your way to a better bottom line.

Call 800-594-1474 or email [salesinfo@vantageoutsourcing.com](mailto:salesinfo@vantageoutsourcing.com)

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

- The Total Vantage Package
- Equipment Choices  
Alcon, AMO, B&L
  - IOLs,  
Including Specialty Lenses
  - Microsurgical Instruments
  - Viscoelastics
  - Disposables
  - Certified Staff



ciated with adding a service.

We worked with our selected surgeon to assess the necessary startup costs for the program and to obtain the equipment and supplies. This list ranged from vitrectomy machines and equipment upgrades to instrument trays and disposable supplies.

Considering refurbished equipment was a must. Bought new, the latest models of vitrectomy machines can cost anywhere from \$80,000 to \$120,000. (The units that include an integrated argon laser tend to be on the higher end.) But remanufactured and lightly-used demonstration models are available for \$35,000 to \$50,000, a much more manageable capital expense, especially if you have yet to perform a case.

Since we were able to negotiate such reasonable deals on refurbished units (and since we already owned an argon laser), we decided to acquire both an Alcon and a Bausch & Lomb vitrectomy system, the 2 currently available systems. One advantage of doing this, incidentally, was that it allowed us more flexibility in recruiting additional retina surgeons, in the event that they preferred one company's system over another.

We spent about \$7,500 on specialized instruments to make up 2 retina trays, and vitrectomy procedure packs run about \$350 to \$450 each, depending on the supplies included in the pack, your purchasing

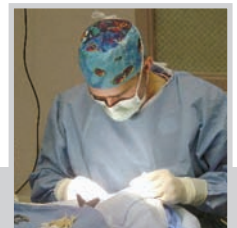
volume and any contract pricing you've negotiated. Packs whose supplies are geared for 20-gauge incision surgery are slightly less expensive than those for the smaller 23- or 25-gauge procedures.

Even though we'd gone all inclusive in our vitrectomy machine options, we limited ourselves to 25-gauge procedures and only certain select cases to start. In the hands of a skilled surgeon, the smaller incision techniques are more efficient and less traumatic to tissue. But limiting cases to a single gauge also helped us keep control of our supply budget, since keeping a stock of the full complement of supplies for 20-, 23- and 25-gauge procedures was a much larger financial commitment.

### Other expenses

The ophthalmic microscopes we used for cataracts and other surgeries would suit posterior segment procedures with a few adaptations. Each ocular needed to be outfitted with a BIOM (a binocular indirect ophthalmomicroscope) and an inverter to let a surgeon see the back of the patient's eye and a laser filter for safe viewing during laser use. You can estimate about \$28,000 to \$35,000 for these microscope accessories.

Then there were the disposable surgical supplies, which included soft-tip cannulas (\$15 to \$20 each), laser



## Retina Reimbursements on the Rise

CPT code	Descriptor	2007	2008	2009	2010	2011
67036	Removal of inner eye fluid	\$630	\$857.61	\$1,077.57	\$1,308.07	\$1,547.34
67039	Vitrectomy and laser treatment of RD	\$995	\$1,131.36	\$1,255.53	\$1,398.83	\$1,547.34
67040	Vitrectomy and PRP laser treatment	\$995	\$1,131.36	\$1,255.53	\$1,398.83	\$1,547.34
67041	Vitrectomy w/ membrane peel, macular pucker	N/A <small>(added 2008)</small>	\$1,540.44	\$1,540.83	\$1,544.34	\$1,547.34
67042	Vitrectomy w/ membrane peel, AFX, C <sub>3</sub> F <sub>8</sub> (macular hole)	N/A <small>(added 2008)</small>	\$1,540.44	\$1,540.83	\$1,544.34	\$1,547.34
67043	Vitrectomy w/ complex membrane peel	N/A <small>(added 2008)</small>	\$1,540.44	\$1,540.83	\$1,544.34	\$1,547.34
67108	Repair retinal detachment	\$995	\$1,131.36	\$1,255.53	\$1,398.83	\$1,547.34



probes (about \$150 each), microvitreoretinal blades (\$20 to \$25 each) and forceps (about \$120 each). Reusable forceps are also available at an average cost of \$2,500 each.

Some other supplies used for stabilizing or contrast, such as silicone oil (\$356 for 8.5mL), perfluoro-n-octane liquid (\$415 for 5mL), C<sub>3</sub>F<sub>8</sub> (octafluoropropane) gas (\$1,079 for 125gm tank) and indocyanine green (\$80 per unit), plus such necessary accessories as tubing for the silicone oil and a filter and regulator for the gas tank, can prove expensive and are not reimbursed by Medicare. You must have the necessary supplies on hand when needed, but ideally the use of these expensive items will be the exception rather than the rule. Even with improved reimbursements, their routine use (and the associated prolonged case times) can compromise your retina service's profitability.

Negotiating a carveout for high-cost supply items with your third-party payors will allow you to capture reimbursement at cost for expensive items. Since we'd anticipated the possibility of adding retina to our center's line-up from the time we opened in January 2008, we negotiated these carveouts with our payors from day one.

### Making it work

Patient selection also plays a role in the success of an outpatient vitreoretinal program. We use the same standard admission criteria for retina patients as we do for

our other patients. A patient who meets those is an acceptable candidate for surgery. Generally speaking, patients who are systemically unstable, require general anesthesia or will need extensive OR time and supplies are likely to be directed to the hospital rather than our center.

Vitreoretinal surgery didn't demand any radical changes to our OR schedule. Most of our retina surgeons spend their mornings at the hospital with their complex cases, then come to our center in the afternoon, which fits well with our anterior surgeons' preferences for morning blocks.

At present, 5 of our 20 creden-

tialed surgeons are posterior segment specialists. We're currently evaluating whether it's time to build on our success by expanding our capabilities to include 23- and 20-gauge surgeries, a move which would require the purchase of new instrument sets and procedure packs but would boost our case volume. But at the present time, we've demonstrated to ourselves, our physician-owners and our patients that adding retina to our business plan makes sense. **OSM**

*Ms. Boore (rboore@progressivesurgical-solutions.com) is president of Progressive Surgical Solutions, a San Diego-based ASC development and consulting firm.*

**For Your Vitreoretinal Requirements...**

**...We Stand Alone**

When looking for a primary source for your vitreoretinal supplies, call Dutch Ophthalmic USA. As a 25-year leader in vitreoretinal product innovation and quality, we offer the widest range of systems and products including:

- MembraneBlue, .15% Trypan Blue Ophthalmic Solution
- 20, 23, 25 Gauge Disposable & Reusable Instruments:
  - Forceps & Scissors
  - BackFlush Instruments
  - Cannula
- Specialty Systems:
  - BrightStar Illumination System
  - CryoStar Cryosurgical System
  - Diathermy System
- Disposable & Reusable Vitrectomy Lenses
- Complete line of Latician Retinal Implants
- Extensive on-site staff training & orientation

Contact the experts today and let us help facilitate your vitreoretinal supply needs.



T: (800) 753-8824 or (603) 778-6929  
F: (603) 778-0911

E-mail: sales@dutchophthalmicusa.com



© 2008 DORC International b.v. Zuidland, Holland & Dutch Ophthalmic USA, Exeter, NH