


1

<p>CMS Conditions for Coverage</p> <hr/> <p>§416.41(a) STANDARD Contract Services</p> 	<p>“When services are provided through a contract with an outside resource, the ASC must assure that these services are provided in a safe and effective manner.”</p> <ul style="list-style-type: none">✓ ASC's governing body is responsible to oversee the delivery of these ASC services✓ Contracted services must be included in the ASC's QAPI program
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2

Surveyor Should

ASK

- For a list of all contracted services.
- What process do you use to correct deficiencies in contracted services? (*ASC Management*)
- Have deficiencies been identified and corrective action taken? If yes, to provide documentation.

VERIFY

- Services are current **and being provided in a safe and effective manner.**



ASC Action Steps for Compliance



DOCUMENT

approval of all contracted services by the Governing Body in meeting minutes.




REVIEW

all contracted services annually. Document review and approval in meeting minutes.



MAINTAIN


a list of contracts and supporting documents.



MAINTAIN

a list of contracts
and supporting
documents

Examples



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If the ASC...

1

Contracts for cleaning, including its operating and procedures rooms...

The Governing Body maintains responsibility for the sanitary condition of the ASC and must exercise oversight over its contractor to assure that standard sanitary practices are employed.

2

Shares space (temporally separated) with other entities...

Do they have their own contracts or other formalized arrangements with any of those other entities for services, when the ASC is in operation?

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Ancillary Contract Components

1

Executed
Contract
(*both parties*)


2

OIG* Query
(*annually*)

3

Supporting
Documents

*Office of Inspector General



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Contract Documentation Recommendations

TYPE OF CONTRACT	RECOMMENDED DOCUMENTATION	NOTES
Anesthesia Machine Preventative Maintenance	Contract, OIG	Service frequency should be per manufacturer's directions for use
Anesthesia Services	OIG, Medical Malpractice Insurance, Business Associates Agreement	
Biomedical Engineering	Contract, OIG	All electrical equipment and outlets. Service frequently per accrediting organization or local/State guidelines.
Clearing House	Business Associate Agreement, OIG	
Compounding Pharmacy	Proof of PCAB Accreditation for Sterile Compounding, copy & verification of state licensure where medications are compounded and of state where medications are received, query results of receiving state's Board of Pharmacy, malpractice face sheet	
Consulting Pharmacist	Contract, License, Professional Liability Insurance, OIG	Service frequency (monthly, quarterly, semiannually, or annually) is dependent on your state requirements
Fire Safety Equipment: Fire Alarm, Smoke Alarm, Sprinkler System	Contract, OIG	Maintenance and Testing required per Life Safety Code.
Generator	Contract, OIG	Annual Inspection and Testing, Maintenance, Fuel testing and replacement
Hazardous Waste Disposal	Contract, OIG	

Contract Documentation Recommendations

TYPE OF CONTRACT	RECOMMENDED DOCUMENTATION	NOTES
Housekeeping	Contract, OIG, Business Associate Agreement, Orientation to Facility, Documentation of Training in Infection Control	Proof of PPD Training for Staff if housekeeping is there during patient care hours
HVAC	Contract, OIG	Preventative Maintenance and repairs quarterly and as needed. If servicing/changing filters, documentation on air exchanges and air pressure flow testing is needed
Laboratory/Pathology	State License, Medical Director State Lab License, CLIA, Professional Liability Insurance, OIG	
Lease Agreement	Secure copy and keep with other Facility Contracts	
Linen	Contract, OIG, State Certification or Licensure (as applicable), Copy of Policies for Temperature, Drying, How they keep dirty and clean separate (can be added in contract)	
Maintenance	Contract, OIG	May be included in Lease Agreement
Management Agreement	OIG, Business Associate Agreement (unless covered entity under HIPAA)	If the Practice or any other entity provides management services such as Payroll, Claims, Coding, Billing and Human Resources, etc., a Management Services Agreement must be documented between the ASC and the practice or other entity. The Practice must have Business Office Policies and Procedures.

Contract Documentation Recommendations

TYPE OF CONTRACT	RECOMMENDED DOCUMENTATION	NOTES
Medical Gas Lines	Contract, OIG	
Medical Malpractice/General Liability	Secure copy and keep with other Facility Contracts	The ASC must carry its own Medical Malpractice and General Liability Insurance
Patient Transfer Agreement	OIG, Medical Malpractice Insurance	Must be a Medicare Certified Hospital.
Pest Control	Contract, OIG, State Certification or License (as applicable)	May be included in Lease Agreement or Management Services Agreement
Regular Waste Disposal	Contract, OIG	
Shredding	Contract, Business Associates Agreement, OIG	If shared with practice, add to management services agreement
Software	OIG, Business Associate Agreement	
Transcription	Contract, Business Associate Agreement, OIG	May be included in Management Services Agreement
Vacuum Pump	Contract, OIG	

Annual Service Contract Assessment Tool

Vendor Name	Provided Service	Contact Info	Execution	Expiration	Assessment	Recommendation	Comments	Quality Indicators for Contracted Services
Anesthesia Inc.	Anesthesia Services				Issues Resolved	Continue Arrangement		Meets the anesthesia needs of the facility per the surgical schedule (review missed surgical days, scheduling conflicts, rescheduled cases due to lack of anesthesia coverage). Provides safe, effective, and adequate anesthesia care with proper and timely documentation (conduct chart review and investigations for anesthesia-related complications, analysis of anesthesia-related patient complaints, conduct chart review for documentation delinquencies or discrepancies). Maintains required licensure, certification, and continuing education activities.
Sodexo	Biomedical Engineering				Issues Identified	Do Not Continue	Did not provide a list of completed service with all equipment listed.	Conducts preventative maintenance of facility medical equipment per agreement (timely performance of routine inspections and testing). Response time is prompt for equipment troubleshooting and repair. Provides documentation of preventative maintenance activities, including repairs. Maintains required licensure and certifications required for services provided.
	Clearing House							Consistently conducts clearinghouse activities per agreement (conduct ongoing analysis of RCM; claim payment turnaround time within established benchmark, revenue, AR, denied/rejected claims, patient statements). Provide analytics tool (dashboard, reports, quality reviews, periodic claims auditing). Proactive approach to changing end-to-end RCM in industry (notification of changing billing/coding rules, insurance payer regulations).
	Consulting Pharmacist							Reports for scheduled pharmaceutical inventory inspections per agreement. Provides written report of findings within specified timeframe. Responds to facility needs in timely fashion. Completes necessary documentation per facility policy. Assists with facility licensure and accreditation survey preparation (policy and procedure review). Maintains required licensure, certification, and continuing education activities.
	Hazardous Waste Disposal							Provides pick-up of waste as scheduled per agreement. Provides facility with documentation of proper waste handling and destruction. Provides facility with hazardous waste disposal materials per agreement (boxes, bags). Maintains required state and federal licensure and certifications.
	Housekeeping						Terminal Cleaning of ASC	Regularly and consistently cleans facility per policy and Terminal Cleaning Log (review monthly cleaning log). Maintains Janitor closet. Cleaning products labeled, and SDS sheets maintained (observe janitor closet on a monthly basis to ensure maintenance).

Operational & Financial Considerations

○ Contact Information

- ✓ Current / Up to date – archive old contacts
- ✓ Easily accessible to all staff

○ Organization

- ✓ Recommend use of a Table of Contents (TOC)
- ✓ Use a large binder or electronic file folder
- ✓ Keep all parts of the contract together



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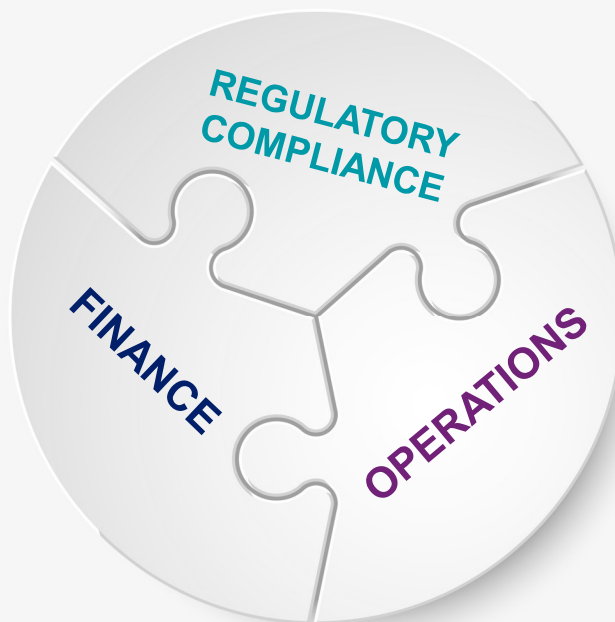
Facility Contracts Table of Contents

FACILITY CONTRACTS TABLE OF CONTENTS

Service Provided	Vendor	Primary Contact	Phone, Fax, Email	Execution Date	Renewal Date


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TYING IT ALL TOGETHER



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Master Financial Contract Tool



PROGRESSIVE

Services

Contract Management

ENTER ASC NAME HERE (TAB A, ROW 3)

FIXED COSTS CONTRACT CHECK LIST

Contract Types	Vendor Name	Fixed Annual Contract Costs	Fixed Monthly Costs	Status	Reduced Monthly Costs	Date of Notice	Re-instate date	Notes
Pack or Per Use Contracts			-					
			-					
			-					
			-					
PW Service Contracts			-					
			-					
			-					
			-					
			-					
			-					
			-					
Other Contracts			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
			-					
Leases & Other Obligations			-					
			-					
			-					
Total Contracted Services		-	-		-			

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Vendor Contract Fixed Cost Checklist

Service Provided	Vendor	Sales Contact Phone/Email	Account Number	Fixed Annual Contract Costs	Fixed Monthly Costs	Expiration	Renewal Date	Notes
Anesthesia	Dr. Deep Sleep			\$ 200,000.00	\$ 16,666.67	Active		To provide temporary anesthesia services
BioMed	Advantage BioMedical Services			\$ 4,000.00	\$ 333.33	Review/Research	Auto Renew	
Clearing House	Waystar		111111	\$ 2,500.00	\$ 208.33	Active		
Copier			222222	\$ 6,000.00	\$ 500.00	Review/Research		
Fax	My Fax		333333	\$ 1,700.00	\$ 141.67	Active		
Fire Safety				\$ 7,800.00	\$ 650.00	Active	Auto Renew	

Questions?

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Nancy Stephens: nstephens@pss4asc.com

Thank You

Available to Members on eSupport

eSupport > Compliance & Operations > Contracts

- ASC Contract Documentation Recommendations
- Sample Contract TOC
- Contracted Services Assessment Tool



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CONTRACTS: DOCUMENTATION

CLICK LINKS BELOW TO DOWNLOAD

- ▢ ASC Contract Documentation Recommendations
- ▢ Table of Contents for Facility Contracts (Sample)
- ▢ Contracted Services Assessment Tool

OFFICE OF INSPECTOR GENERAL (OIG) QUERY

Every contracted service vendor should be searched on the OIG exclusion database. Use link below to run each contractor **annually**.

🔗 [OIG Query Website](#)

VENDOR CREDENTIALING

Vendor Credentialing is a growing trend in the healthcare industry. This is simply the process of ensuring that the

SEARCH

CONTRACTS

Contracts Overview

Documentation

Sample Contracts



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all over the country.



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Upcoming Webinars

DATE		CE	WEBINAR TOPIC	SPEAKER
AUG 24	60	RN, CASC	Piecing Together the Talent Puzzle: 6 Truths about Finding and Keeping Talent	Trinet
SEP 25	20		Credentialing Review	Cyndi Krause
OCT 27	60	RN, CASC	ASC Billing 101	Jessica Macias
NOV 27	20		Annual Survey Watch Report 2023	Crissy Benze
DEC 18	60	RN, CASC CAIP	Steam Sterilization	Delores O'Connell

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