Five Proven Strategies to Quickly Reduce the Costs of Your Anesthesia Services
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Achieving operational efficiency in anesthesia and surgical services is perhaps one of the most challenging facets of a hospital executive’s job, and in many cases, it all comes down to balance. From a staffing perspective, it’s about having not only the right people, but also the right number of people, and at the right times on the clock. On the case mix side, it’s important that a hospital have the capabilities to offer a wide range of procedures, from the most simple to complex cases, that will not only keep your surgical suites in use, but will also encourage higher rates of reimbursement from payers. And for a clinical specialty such as anesthesia services, typically recorded as a net loss for a hospital, getting it right is critical to your organization’s long-term viability.

Anesthesia services can be costly in terms of net dollars, and can significantly impact a hospital’s gains or losses in terms of revenue stream. Charges for these services are typically documented in “units,” at an average rate of $90-$100 per 15 minutes of time. Thinking strategically about how and when to use anesthesia services can save a hospital or healthcare organization time and money. From my experience as a Managing Partner at Clinical Colleagues, I have helped hospitals successfully identify and implement numerous strategies to cut costs and operate most efficiently.

A few strategies that I recommend, based on what I have seen work for our clients:

1. **Build relationships with the surgeons who will bring in the most complex and time-consuming cases.** And, encourage their loyalty. Work with them to encourage use of your facilities for all, or the majority of their patient cases. This will allow your hospital to bill for more units of anesthesia time, and will likely increase your reimbursement ratio. Develop efficient “block” scheduling for your most loyal surgeons and offer them preferential scheduling whenever possible, in exchange for surgical case loyalty. Be willing to offer room “flipping” if necessary to secure surgeon loyalty as it will result in increased case volume.

2. **Establish a relationship with a billing service that that specializes in coding and billing exclusively for anesthesia services.** Even the most talented in-house coding and billing specialists are likely missing opportunities for reimbursement, simply because they are not focusing on any one particular area of clinical service. A certified coder specific to one practice specialty, is skilled at reading and interpreting provider notes. Make this investment; you will see a positive return when the coding is done correctly, 100 percent of the time.

3. **Assess your staffing structures and make adjustments, where adjustments make sense.** Of course, you don’t want people standing around, but you also want to make sure you are not stretching your teams too thin. Achieving this delicate balance can be a challenge, but once you do so, you will immediately see the positive impact it makes on cost while maintaining provider satisfaction and improved provider retention.
4. **Manage an efficient block schedule for your operating rooms.** Surgeons often want to do cases when it is most convenient for them. Identify who is most loyal, and give those physicians first choice in terms of scheduling. Cultivate an environment of collaboration by meeting with your physicians and helping them understand how important it is for your hospital to develop and enforce a schedule that keeps surgical suites in use throughout the day, with no major time gaps between cases. Doing so will make your operating room more efficient and each case will ultimately be more profitable.

5. **Analyze your hospital’s current mix of anesthesiologists and anesthetists.** Do you have the right people in place? Are there too many or too little staff working at any given time? Break your program down into pieces and consider making changes to your model that could reduce your costs and enhance your operational efficiency. Of course, Clinical Colleagues can be a valuable resource for conducting this assessment, if needed.

As is almost always the case, conducting these assessments and implementing change takes time and a commitment from the top. However, our clients will tell you that it’s worth the effort. When done correctly, these processes can go a long way in terms of reducing costs and improving overall operational efficiency for your hospital.

*About Paul Gerdes and Clinical Colleagues, Inc.*

Paul Gerdes is a managing partner for Clinical Colleagues, Inc., responsible for the operational management of the company. He works in collaboration with his team of physicians and healthcare business professionals to provide cost-effective anesthesia management and consulting services at community hospitals nationwide. To learn more about Paul Gerdes and Clinical Colleagues visit [www.ClinicalColleagues.com](http://www.ClinicalColleagues.com).