Survey Says: Hospitals Choose Physician Joint Ventures for ASCs

Hospitals and health systems are investing heavily in ambulatory surgery centers (ASCs), according to a national survey of senior executives and clinical leaders at health systems and hospitals. The survey, sponsored by Avanza Healthcare Strategies and Clark Hill Strasburger and conducted by HealthLeaders Media in 2018, found 41% of organizations own or are affiliated with a freestanding ASC, and two-thirds of those are joint ventures with physicians. The business case is clear: greater market share, lower costs, improved physician engagement and more satisfied patients. According to respondents, the path from initial decision to first incision is less clear and rarely traveled without independent experts to support decision-making related to legal structure, physician compensation, facility design and other business considerations.

Download Avanza's complete report on hospitals and ASCs at AvanzaStrategies.com

ALMOST HALF OF HOSPITALS OWN OR ARE AFFILIATED WITH AT LEAST ONE ASC



41%
HAVE ASC



_ **59%** NO ASC

38% OF HOSPITALS WITH ASCs HAVE TWO OR MORE







2 - 4 ASCs 31%

5 - 7 ASCs 7%

TWO-THIRDS OF HOSPITALS OPERATE ASCS AS JOINT VENTURES





JOINT VENTURE

NOT JOINT VENTURE

MOST HOSPITALS DON'T CONTRACT WITH THIRD-PARTY MANAGERS TO OPERATE ASCS





56% INTERNALLY MANAGED

NEARLY HALF OF HOSPITALS PLAN TO INVEST IN MORE ASCs

48% INVESTING

52% NOT INVESTING

TOP REASONS HOSPITALS OWN ASCS

64%

INCREASE OUTPATIENT SURGICAL CAPACITY

60%

ENHANCE PHYSICIAN RELATIONSHIPS

58%

RESPOND TO CONSUMER-DRIVEN TRENDS

53%

INCREASE REVENUE

49%

KEEP PHYSICIANS FROM MOVING CASES FROM HOSPITAL OR HEALTH SYSTEM

47%

REDUCE COSTS

40%

INCREASE MARGINS

33%

ENTER NEW MARKETS

HOSPITAL EQUITY STAKE TOPS 50% FOR MOST JOINT VENTURES



38% 1% - 49% EQUITY STAKE



62% 50% - 100% EQUITY STAKE

MORE THAN HALF OF HOSPITALS ALLOW EMPLOYED PHYSICIANS TO INVEST IN ASCs

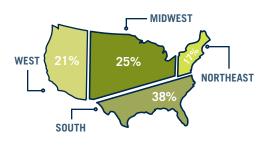


ALLOW



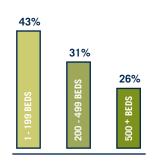
DON'T ALLOW

WHO WE SURVEYED









How can we help you? Learn more about Avanza's experience working with ASCs, hospitals and academic medical centers by contacting hello@avanzastrategies.com or calling 512.479.6700

