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Outcomes

The Regent Surgical Health Newsletter

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www.regentsurgicalhealth.com

CASE STUDY: SURGERY CENTER OF SOUTHERN NEVADA AND MEDICAL DISTRICT SURGERY CENTER

Doubling Down: Regent Develops Two Successful ASCs in Las Vegas

Four years ago, Regent Surgical Health entered the highly competitive Las Vegas market by attaching a surgery center to an existing hospital with underutilized operating rooms.

The center, named Surgery Center of Southern Nevada, is on the backside of a Kindred Hospital long-term acute care facility. Across the street is a large hospital, and a few miles away is one of the city's largest hospitals, giving the center a pool of physicians to draw from.

Because the center was part of an existing facility, construction on the de novo venture was 30 percent of the average cost to construct a surgery center. Regent then recruited 12 pain management physicians and neurosurgeons to provide pain management, spine surgery and orthopedics. The center performs minimally-invasive spine surgeries, such as lumbar and cervical fusions, offering patients a more comfortable environment. A combination of the doctors' levels of expertise, 23-hour overnight stays and integration with a hospital allows SCSN to perform surgeries that were traditionally done in a hospital setting and that other ASCs cannot offer.

Within three years, the center's 19 surgeon partners have enjoyed the fruits of a successful investment. "The synergy created between neuro, spine and pain procedures has helped lead to the center's success," says Dr. Benjamin Venger, a neurosurgeon who developed the center's spine program with Regent.

Dr. Venger also gives credit to Regent's expertise, flexibility

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Regent News

- We've moved to larger office space. You can reach us at:

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Visit our new web site for more details at
www.regentsurgicalhealth.com



ABOUT REGENT SURGICAL HEALTH

As buyers, developers and managers of surgery centers and surgical hospitals around the country, Regent Surgical Health is an experienced de novo developer and a specialist in turnaround situations. By partnering with Regent, you will see an immediate improvement in your financial health.

Regent believes that doctors should own majority interest in their facilities and control their own destiny. As a result, Regent typically owns 20 percent of the equity in the ASCs and 10 percent of the surgical hospitals in which we partner. Our principals invest their own personal capital and expertise in each facility, sharing risks side-by-side with our surgeon partners.

In addition to owning and managing centers, Regent provides consulting services to existing ASCs.

Based in Chicago, Regent has ASC and surgical hospital partners nationwide. For more information, contact Tom Mallon at 708.492.0531.

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DOUBLING DOWN: REGENT DEVELOPS TWO SUCCESSFUL ASCs IN LAS VEGAS (continued)

and management style. “The background of Regent’s principals brings diversity and insight into what we do.”

Because of the remarkable success of Surgery Center of Southern Nevada, Regent duplicated the neuro and spine specialties model in its second center, the Medical District Surgery Center, which opened in March.

Unable to locate another hospital with underutilized surgery suites, Regent acquired an underperforming ASC from a hospital that wanted to remain involved as a minority partner.

Located in a medical office building about eight miles northwest of Regent’s first center, the 8,000 square-foot Medical District Surgery Center features three ORs and 12 recovery beds. Like the first center, MDSC provides easy access to doctors because of its location on a hospital campus. With its reputation established in Las Vegas, Regent was able to recruit 26 doctors as partners and granted another 20 doctors privileges. Within three months of investment by the new partnership, MDSC returned to profitability.

“Regent helped the center become successful so quickly because we have the right mix of doctors—the right specialties and the best surgeons in those specialties,” says Joe Dylag, the administrator at MDSC.

Regent’s management and clinical operations expertise helped organize the center, establish best practices and negotiate favorable rates with payers. Dylag says, “Because Regent is so efficient, we produce more cases with fewer staff while providing high quality patient care.”

Regent Senior Vice President Jeff Simmons says, “Regent sets the table very well and finds administrators who are real strong and can execute. We’re fortunate that in Las Vegas we have two very strong administrators.”

As both centers’ success continues to grow, Regent is considering developing or acquiring a third center.

Regent Adds Overnight Stays at Two Surgery Centers

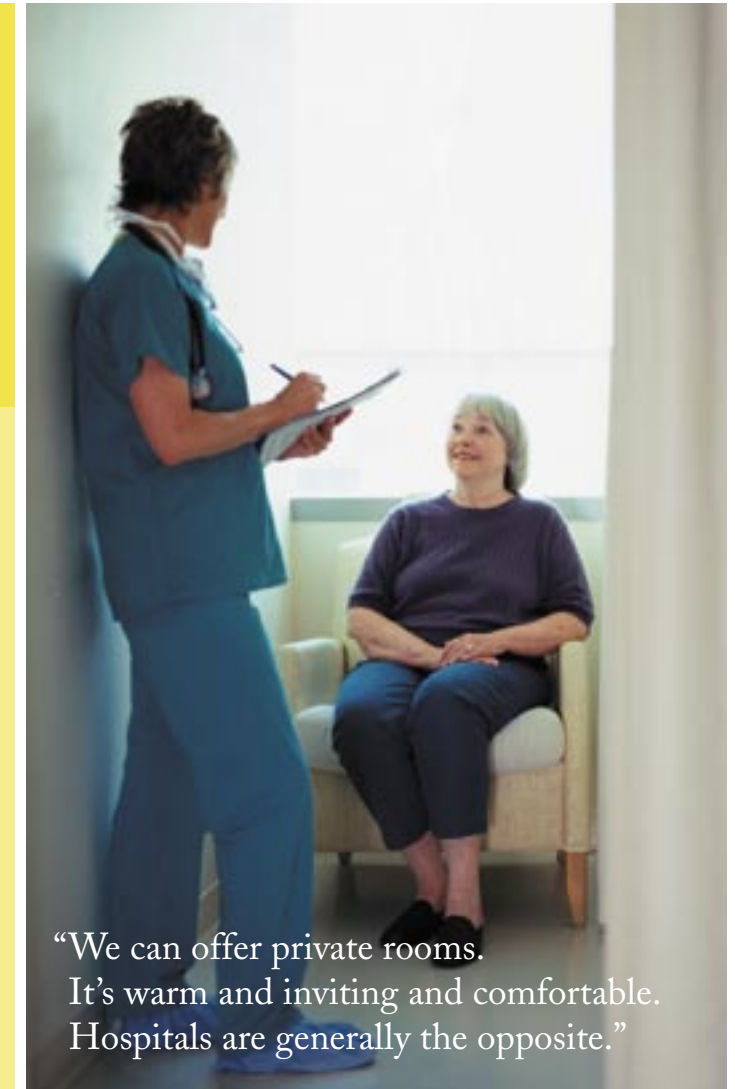
In a hospital, overnight stays are common. At ambulatory surgery centers, the practice is new, but will become increasingly common as more complex cases such as anterior lumbar intervertebral fusions (ALIF) and pain pump insertion are handled at outpatient surgery centers.

Regent currently offers overnight stays at three of its surgery centers—Santa Barbara, California, Cheyenne, Wyoming and Las Vegas—which benefits patients, physicians and the center. “Patients get truly individualized care,” says Steve Hall, chief operating officer for Regent Surgical Health.

At Santa Barbara Surgery Center, up to three patients can be accommodated overnight. “Patients get a good night’s rest there,” says Tom Mallon chief executive officer of Regent. “We can offer private rooms. Plus, it’s not a hospital. It’s warm and inviting and comfortable. Hospitals are generally the opposite.”

For the physician, offering overnight stays provides even greater flexibility for scheduling surgery, and helps keep surgeries on track. And for Regent, its centers are able to handle more complicated cases, including artificial disc replacement, total knee replacement and laparoscopic bariatric procedures.

Staffing is the biggest hurdle to providing overnight stays. Yet as volume increases at each center, and the procedures become increasingly complicated, overnight stays will become increasingly common at ASCs around the country.



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Upcoming Events

Regent will be exhibiting at:

OCTOBER 8-13 : BOSTON
Congress of Neurological Surgeons

OCTOBER 27-29 : SAN FRANCISCO
American Surgical Hospital Association Annual Conference

Learn about ASCs during Regent’s presentations at:
OCTOBER 2-4 : PINEHURST, NORTH CAROLINA
Outpatient 100 Executive Management Conference

OCTOBER 20-22 : CHICAGO
Becker’s 12th Annual Ambulatory Surgery Conference

OCTOBER 24-26 : CHICAGO
Hospital Joint Ventures

NOVEMBER 10-12 : LAS VEGAS
Today’s Surgicenter Conference