Ambulatory surgery center (ASC) managers count among their accomplishments a staff with “zero turnover and a waiting list”; high patient satisfaction; and projects to achieve greater efficiency, better patient flow, and reduced waiting times.

They’re also working hard to balance clinical practice with the demands of running a competitive business and meeting expectations of owners, managers wrote in response to the 2004 OR Manager Salary/Career survey.

As more ASCs open, rivalries are heating up, and in some areas, hospital lobbies are trying to curb ASC growth.

One center survived the opening of a new surgery center that took 60% of its surgeons and nurses within 4 weeks. But this bruised ASC recovered quickly.

“We regained a positive bottom line in less than 3 months, were within budget, and had a Press Ganey (patient satisfaction survey) score of 96%,” the manager said.

They face challenges from owners as well.

“My achievement was surviving corporate bankruptcy,” one manager responded.

Another told of “walking a fine line with corporate partners,” who she felt did not adequately recognize the facility’s reputation or the knowledge of its personnel.

Like hospitals, ASC managers struggle to keep up with new surgical techniques and equipment “without breaking the budget,” as one manager put it.

The 14th annual OR Manager Salary/Career Survey polled 583 ASC managers, with 136 returned (23%).

ASC managers represent a diverse group. While the base salary averages $75,674, salaries range from $60,000 to $150,000 a year. Managers run centers with from 2 rooms to 13 rooms.

Most survey respondents are from ASCs owned by joint ventures (38%) or physicians (30%), followed by corporations (18%) and hospitals (12%).

## Raises

Raises in this year’s survey, averaging 4.3%, are close to the 4.1% increase for hospital-based managers and a little higher than the 3.9% in 2003. The increases compare favorably to inflation.

ASC managers in the Central region received the highest raises, averaging 4.4%.

Physician-owned and hospital-owned facilities gave the greatest boosts, at 7.4% and 6.1% respectively. The number of managers receiving salary increases, at 84%, is almost the same as last year.

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### Average annual salary by region

<table>
<thead>
<tr>
<th>Region</th>
<th>Average Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>$77,326</td>
</tr>
<tr>
<td>South</td>
<td>$68,383</td>
</tr>
<tr>
<td>Central</td>
<td>$76,465</td>
</tr>
<tr>
<td>West</td>
<td>$77,158</td>
</tr>
</tbody>
</table>

### Respondents to ASC survey (n=136)

<table>
<thead>
<tr>
<th>Region</th>
<th>Distribution</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>69 (12%)</td>
<td>17%</td>
</tr>
<tr>
<td>South</td>
<td>202 (35%)</td>
<td>23%</td>
</tr>
<tr>
<td>Central</td>
<td>141 (24%)</td>
<td>24%</td>
</tr>
<tr>
<td>West</td>
<td>171 (29%)</td>
<td>35%</td>
</tr>
</tbody>
</table>

### Profile of the typical ASC manager

The typical manager of an ambulatory surgery center in the OR Manager Salary/Career Survey:

- Earns $75,674 in annual base salary
- Received a raise in the past year averaging 4.3% of base salary
- Holds the title of director (33%), nurse administrator (23%), or nurse manager (30%)
- Works in a joint venture (38%) or physician-owned (30%) facility in an urban (42%) or suburban (43%) locale.
What ASC managers are making

This year’s average base salary of $75,674 compares to $73,213 last year. Hospital-based OR managers average 13% more, at $85,485. But only about $1,000 separates salaries of ASC and hospital-based managers who supervise 5 or fewer operating rooms: $71,728 for hospitals and $70,698 for ASCs.

ASCs with 5 or more ORs pay about 13% more than facilities with fewer than 5 ORs.

The South lags behind other regions. An ASC manager in a southern state averages 12% less in salary than an eastern counterpart.

Hospital-owned ASCs pay the most, followed by facilities owned by corporations, joint ventures, and physicians.

Bonuses. In all, 38% of ASC managers are eligible for bonuses, about the same as hospital-based OR managers (39%). The average bonus for an ASC manager was 8.6%, a little higher than the 7.9% paid to hospital OR managers.

Joint-venture facilities most frequently give bonuses (52%), compared to centers owned by physicians (34%), corporations (33%), and hospitals (31%). Bonuses were most generous in the Central region (12%), followed by the West (7.9%), the South (7.5%), and the East (5%).

Benefits

ASC benefit packages compare favorably to hospitals’ for health insurance and paid time off. But ASCs are somewhat less likely to offer dental insurance, disability insurance, retirement plans, and eye care. Dependent health insurance, life insurance, and tuition reimbursement are also less common at ASCs.

Managers in ASCs, as in hospitals, have seen retirement benefits decline in the past 5 years. Other changes noted are increased health insurance premiums, less eye-care coverage, and fewer to no stock options.
Staffing the ASC’s business office

How many FTEs does it take to run an ASC’s business office?

The average number of FTEs is 7.1 for ASC respondents to the OR Manager Salary/Career Survey.

Business FTEs by number of ORs

<table>
<thead>
<tr>
<th>Number of ORs</th>
<th>FTEs</th>
<th>(n)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;5 ORs</td>
<td>5.2</td>
<td>(n=56)</td>
</tr>
<tr>
<td>5+ORs</td>
<td>9.2</td>
<td>(n=50)</td>
</tr>
</tbody>
</table>

There is no agreed-upon formula for how many FTEs the business office should have. The number varies not only by surgical volume but also with business functions performed, workload, and skill sets of employees.

The range of FTEs ranges widely by surgical volume (chart).

Ownership has a lot to do with business functions performed and FTEs needed. For example, in the survey:

- 79% of physician-owned and 82% of joint-venture facilities do their own billing and claims processing, while only 46% of hospital-owned ASCs do.
- About 70% of physician-owned facilities and 80% of joint ventures do their own accounts payable and receivable, while about 30% of hospital-owned ASCs do.

But FTEs vary even for ASCs performing the same number of business functions. For example, 3 ASCs responding to the survey with a volume of 3,000 to 3,999 procedures a year each performed 15 out of 18 business functions listed in the survey questionnaire, but their business office FTEs ranged from 5 to 11. The size of the response did not permit further analysis.

Workload can also vary independent of case volume, ASC managers note. For example, two ASCs perform 5,000 cases a year, but one outsources physician credentialing while the other credentials 100 MDs. Or one administrator 5 insurance contracts while another has 30. Accreditation also makes a difference: An accredited center may need more FTEs to meet standards for quality improvement and the like.

Among issues to consider in planning for business office staffing, suggests Barbara Harmer, RN, MHA, of HealthCare Consultants, Inc, Celebration, Fla, who consults with ASCs:

- ownership and structure
- surgical volume and complexity of the organization
- hours of operation
- skill set of individuals
- internal versus outsourced functions.

How efficient an office is starts with employee selection, Harmer notes. The more cross-training a center can do, the fewer FTEs it will need. She recommends looking for candidates who can multitask and either have ASC experience or are familiar with the ASC environment. For example, in an ASC she managed, the receptionist position was job-shared—the first person reported at 5:45 am and worked at the front desk until the second person arrived at 9 am. The first person then became the medical records clerk, plus relieved other staff for lunch. Similar arrangements can be made for other functions.
Benefits for ASC managers

<table>
<thead>
<tr>
<th>Benefit</th>
<th>ASC</th>
<th>Hosp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health insurance</td>
<td>99%</td>
<td>99%</td>
</tr>
<tr>
<td>Paid time off</td>
<td>99%</td>
<td>99%</td>
</tr>
<tr>
<td>Depen health insur</td>
<td>68%</td>
<td>81%</td>
</tr>
<tr>
<td>Dental insurance</td>
<td>82%</td>
<td>94%</td>
</tr>
<tr>
<td>Life insurance</td>
<td>82%</td>
<td>95%</td>
</tr>
<tr>
<td>Disability insurance</td>
<td>72%</td>
<td>83%</td>
</tr>
<tr>
<td>Tuition reimbursement</td>
<td>60%</td>
<td>88%</td>
</tr>
<tr>
<td>Retirement plan</td>
<td>79%</td>
<td>89%</td>
</tr>
<tr>
<td>Eye care</td>
<td>58%</td>
<td>62%</td>
</tr>
</tbody>
</table>

About the ASC

**Number of ORs, volume.** On average, managers oversee 6 operating rooms. The average surgical volume is 5,170 cases. Most ASCs saw their volume rise this year, with an average increase of 10%.

**Budget.** The average overall annual operating budget for an ASC is $5.0 million. The average is $3.9 million for ASCs with fewer than 5 ORs and $6.3 million for ASCs with 5 or more ORs.

**Recovery-care capability.** In all, 27% (n=36) of ASCs offer stays of overnight or greater. Overnight stays are most prevalent in the West (23 facilities), compared to the Central region (7), the South (5), and the East (1).

About your role

**Titles.** Most respondents hold the title of director, except for those from hospital-owned ASCs, where nurse manager is most common.

Other titles include clinical director, director of nursing, supervisor, executive director, or operations manager.

**Reporting.** More than half (58%) of respondents report to the ASC administration, followed by the board of directors, medical director, or corporate office. A variety of other arrangements includes reporting to the executive committee of the board of directors, clinical coordinator, hospital chief nursing officer, managing partner, executive director, CEO, or vice president of patient services.

**Scope of role.** Most respondents manage a single facility (58%), while 42% are responsible for multiple sites.

Purchasing power

ASC managers influence purchasing decisions—40% are the primary decision maker, and 22% say their involvement increased in the past year. Nearly all have a say in capital equipment and OR supply purchases.

About you

The average age of an ASC manager is edging closer to 50. It’s 49.6 to be exact, up from 48 last year, and 39% are between the ages of 50 and 59. Males make up 10% of the managerial pool.

**Education.** Most ASC managers (95%) are RNs, and 65% hold a bachelor’s degree or higher. Master’s degrees and doctorates have been achieved by 18%.

In all, 41% of ASCs require a specific degree for the respondent’s position. When a degree is required, for 68% it is a bachelor’s and for 13% a master’s, with the remainder requiring at least an associate degree or diploma. All of the hospital-owned ASCs requiring a degree call for a bachelor’s degree, while 65% of joint ventures, 60% of corporate-owned centers, and 56% of physician-owned facilities specify a bachelor’s.

—Billie Fernsebner, RN, MSN
—Leslie Flowers