



# EXTENDED STAY CENTERS GIVE PATIENTS MORE CHOICE AND REDUCE HEALTHCARE COSTS

## **SENATE BILL NO. 2334 – EXTENDED STAY CENTERS**

SB 2334 creates a new chapter, 23-17.6, of the North Dakota Century Code, relating to the licensure of extended stay centers.

Extended stay centers (ESC) lower costs for patients who may require additional oversight and supervision following a standard medical procedure. Patients electing to have surgery performed by a licensed private practice surgeon are required to be discharged within 24 hours of admittance, regardless of recovery condition progress. High risk patients are transferred to an inpatient medical facility for further observation.

### **IMPROVED ACCESS TO HEALTHCARE:**

Ambulatory surgical centers operate (ASC) more efficiently and can handle larger volumes of patients, meaning patients avoid scheduling backlogs and doctor shortages are offset by greater production from current physicians.

### **SAFER TREATMENT:**

Ambulatory surgical centers outperform in-patient facilities in terms of patient outcomes, including re-admission and infection rates.

### **HIGHER RISK PATIENTS STILL TREATED AT IN-PATIENT FACILITIES:**

Surgeons are always responsible for patient outcomes and are incentivized through performance metrics, insurance oversight, and licensure repercussions to select in-patient facilities to treat higher-risk patients. Extended stay centers allow physicians to choose the best option for their surgical outpatient's, discharge, extended stay center observation, or admittance to a hospital.

**AFFORDABLE CARE OPTIONS:**

Ambulatory surgical centers, in most cases, lower the total cost of care dramatically. Registered extended stay centers create affordable care options for patients and relieve undue pressure on already overburdened hospitals.

**PATIENT OCCUPANCY LIMITATIONS:**

The extended stay center would have no more than two recovery beds for each operating room affiliated with the ambulatory surgery center and would not exceed a total of sixteen recovery beds.

**ADMITTANCE & LOCATION:**

Extended stay center may only accept patients from an ambulatory surgical center and must be separated physically.

**LENGTH OF STAY:**

All patients would be discharged within 48 hours from the time of admission to the ESC.

**INDUSTRY & INNOVATION:**

Extended stay centers are a major trend in the healthcare industry across the country – saving significant dollars for patients and the health care industry.

**REGISTRATION REQUIREMENTS:**

Extended stay centers would meet the minimum standards for licensure, be affiliated with a facility certified by the centers for Medicare and Medicaid services as an ambulatory surgical center. The Extended Stay Center chapter in the Century Code contains structure for licensing and provides the ND Department of Health administrative rule authority to create administrative rules for the licensing and oversight of extended stay centers.

**BACKGROUND & DEFINITIONS:**

- ASC: "Ambulatory Surgical Center", more often called an outpatient surgical center, an ASC provides general, orthopedic, cardiovascular, and many other surgery services and may provide care for a patient for up to 24 hours, most often measured from the time the patient is admitted into "the back" from the waiting room.
- ESC: "Extended Stay Center", a facility, connected physically and/or through a business relationship to an ASC, which provides care lasting more than 24 hours to patients who need extra time for managing pain or bodily functions, who do not have a caregiver at home, or who may require extended travel time to return home after a surgical procedure.
- Currently in North Dakota: ASCs are limited to 24 hours of care. ESCs will require a new category by law.

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