

# From Passion to Possible: Opening an OBL or ASC

Ralph H. Brookshire, DO, and Miguel A. Mata, NP, discuss how their strategic partnership with Philips Office-based Lab and Ambulatory Surgery Center Solution—SymphonySuite—allowed them to open an OBL focused on lower extremity revascularization and limb salvage in just 6 months.

**A**s the health care market continues to evolve, many physicians and payors are looking for ways to provide a better patient experience, enhance patient outcomes, and offer a valuable medical service within the community at reasonable prices. An office-based lab (OBL) is an alternative that assists entrepreneurial-minded physicians in achieving these goals. However, start-up costs can be insurmountable for many physicians. In this article, we detail how a physician group in Texas partnered with Philips SymphonySuite to finance start-up costs and pave the road to launching their OBL in just 6 months.

## Can you tell us about the practice and the market you serve?

**Dr. Brookshire:** South Texas Vascular Institute is a new OBL in the Rio Grande River Valley. Located approximately 15 miles from the Mexico border, our clientele is largely Hispanic, aged 55 to 85 years, and has a 70% rate of diabetes. This region has the highest incidence of amputations in the nation, and our goal is to bring that figure down appreciably. Approximately 80% of our patients arrive with wounds or open sores, and so our focus is performing revascularization and limb salvage on the lower extremities. We have an arrangement with the local hospitals where we can perform the more complex revascularizations there or, alternatively, refer them to a hospital physician for a particular procedure.

## Dr. Brookshire, why did you open your OBL?

**Dr. Brookshire:** A couple of things drove the decision. First, from a business standpoint, my partner and I were experienced vascular surgeons, understood the South Texas market well, and knew there were more patients with peripheral artery disease than were being treated. Technical advances in endovascular procedures, coupled with recent Centers for Medicare & Medicaid Services reimbursement changes, made the proposition particularly attractive. Second, we have the processes in place to treat our patients in a manner that achieves the best long-term outcomes. I have seen way too many amputations that could have been avoided through revascularization and related vascular disease treatments. Third, the patients seem to appreciate the experience and the improved care. The OBL is more convenient, with less wait time and reasonable costs to the patient and payers.

## Mr. Mata, what is your role in the new OBL?

**Mr. Mata:** I am a nurse practitioner. I help the doctors during complex procedures, and serve as office manager. I have experience setting up OBLs and helping practices obtain accreditation through the American Association for Accreditation of Ambulatory Surgery Facilities process. Dr. Brookshire and Dr. James Chalk asked me to do the same for their new OBL, ensuring our processes, procedures, and standards all met the regulatory requirements.

## OPENING AN OBL OR ASC

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**What role did Phillips SymphonySuite play in getting started?**

**Dr. Brookshire:** Philips SymphonySuite enabled us to start up our OBL as quickly as possible versus in the typical 2-year timeframe. My partner and I, with Miguel, began discussing the possibility of setting up a private practice just 6 months ago. Maybe the smartest decision we made throughout was to engage the services of a Philips representative. Between the advisory and regulatory consultation, planning help, architectural and design support, and medical and ancillary equipment purchases, our Philips business development manager helped us orchestrate the many requirements, details, and outfitting of our OBL. Reassuring to me was his extensive experience kick-starting OBLs. Having seen just about every mistake those before us have made, he kept us from repeating them.

**How did you fund the start-up costs for the OBL?**

**Dr. Brookshire:** We had estimated a total cost to construct, outfit, and meet payroll in our OBL between \$600,000 to \$750,000. Early on, I visited several lending institutions and venture capitalists to see what kind of deal we could strike for these requirements. The lending institutions didn't understand the concept of the OBL and therefore wanted to charge a high interest rate. Disappointed, I went to see a venture capitalist. He had worked with doctors before and certainly understood what we were doing. However, he wanted 20% of the business for the next 5 to 10 years to pay back the loan, which didn't work with our business model.

I learned of Philips' financing arm, Philips Medical Capital (PMC), which is part of Philips SymphonySuite's offerings. This group brings customized financing to individual OBL and ambulatory surgery center (ASC) owners at very favorable rates.\* Having partnered with > 100 OBLs or ASCs, PMC uniquely understands these outpatient models and can offer advantageous financing through this difficult hurdle in the process. Through SymphonySuite, we were able to equip our OBL with the latest Philips medical equipment and devices, including a C-arm, intravascular ultrasound imaging (which we use on almost every procedure), and the company's excimer laser system. Philips can also help furnish our office and lab with ancillary equipment like storage carts and tables through their third-party vendors. One of the best aspects of PMC is that Philips rolls all these items into one single invoice, regardless of where the equipment was purchased from. As the payor, I was anticipating having to track 10 to 12 separate invoices, but PMC has relieved me of this worry.

**Mr. Mata:** I think Philips SymphonySuite really accelerated the timeline between "Do we think we can do this?" and developing a plan and taking concrete steps toward opening the OBL. Philips SymphonySuite made the process easy and the financing reasonable. Further, PMC financing freed up cash flow at the outset, enabling us to direct those funds to payroll. Having high-quality staff is a force multiplier and something that can't be bought on the cheap. Though expensive, it means getting the best staff, and that is crucial to the firm's success in the long run.

**What is the goal for your OBL in the community?**

**Dr. Brookshire:** I'm confident that we can take a bigger bite out of diabetes and vascular disease in our region. We need to get the word to general practitioners and wound care physicians about revascularization as a real and viable option for symptoms—especially for more advanced disease. Surgery and amputation must remain a last-ditch option to save a person's life. For that, we look forward to providing a valuable, much-needed medical service to the community, a better patient experience, and an outstanding workplace for medical personnel. ■

*Philips SymphonySuite OBL and ASC Solution offers a full range of industry-leading, specialized equipment and interventional devices with unique programs that help physicians launch a business or reinvest in their lab by minimizing risk and equipment costs. Through SymphonySuite's partner, Philips Medical Capital, customers have the option of flexible and personalized financing packages with a commitment to simplicity, industry expertise, and a reliable source of funds. To learn more about the Philips SymphonySuite Solution visit [www.philips.com/obl](http://www.philips.com/obl).*

**Ralph H. Brookshire, DO**

Vascular Surgeon  
South Texas Vascular Institute  
Edinburg, Texas  
*Disclosures: Paid consultant to Philips.*

**Miguel A. Mata, NP**

Nurse Practitioner  
South Texas Vascular Institute  
Edinburg, Texas  
*Disclosures: Paid consultant to Philips.*