

Surgical Facilities

Surgical Facilities Procedures are on the Rise in Canada

Non-hospital, same-day surgery centres perform minor surgical procedures during the day that allow patients to recover at home rather than remain at a hospital for overnight observation. These non-hospital surgical facilities are generally focused on:

- Ophthalmology (laser eye facilities)
- Orthopaedic (arthroscopy)
- Weight-loss
- Cosmetic
- Dermatological
- Dental

This is a growing and highly lucrative industry in Canada. According to Medicaid Finance, a company that collects data on cosmetic procedures, more than 302,000 surgical and non-surgical cosmetic procedures were performed in Canada in 2003, the latest year for which it has statistics. The most common procedures by dollar value were liposuction, with 24,337 procedures performed at a cost of \$146 million; breast augmentation, with 16,937 procedures at a cost of \$101.8 million; and injectables, including botox and collagen, with 184,000 procedures performed at a cost of \$92 million.

Developing surgical facilities have been a provincial government goal since 2012 as Ontario has searched for ways to reduce health care costs and conserve resources. Such facilities were a key recommendation of the 2012 Drummond Report on reform of the provincial public service and the Ontario Action Plan for Health Care. With hospital funding under pressure, surgeons wishing to perform elective surgery have needed to find or create private facilities to provide services. Private-owned but publicly funded facilities are being supported by the government as a means to off-load wait times in the standard acute care facilities.

The problem of long surgical wait times has also received attention from the Canadian government, the provincial and regional health systems, the media, and the public over the last decade. Alternative surgical settings located within hospital premises or in an independent care facility may increase surgical capacity in the publicly funded system. Non-hospital healthcare facilities such as Ambulatory Surgery Centres (ASCs), for example, have the potential to provide a higher quality of surgery at a lower cost.

What's at Risk for Surgical Facilities

Non-hospital surgical centres pose risks because of multiple factors, including patients, staff liability, and property and equipment damage. Some of these risks include:

- Since patients can't stay in the centre for more than 24 hours, there is a risk of poor patient outcomes from the post-op care process.
- There is a risk of poor patient outcomes due to the surgeon's failure to comply with regulatory requirements as per the CPSO (College of Physicians and Surgeons in each province).
- There is a risk of a host of equipment deficiencies (e.g. malfunctioning equipment, breakage of surgical instruments, detachment of equipment, and lack of optimal equipment) that could result in serious injury or poor patient outcomes.
- There is a risk of adverse outcomes due to failure of the healthcare facility to follow the equipment manufacturer's recommendations for maintenance, cleaning, calibration, and replacement; not reporting equipment malfunction to the appropriate personnel for follow-up and testing; incorrect training information; or inadequate communication of manufacturer equipment recalls.
- There is a risk of infections or disease outbreak.
- If centres are overcrowded or understaffed, or if staff are stressed or overworked, then there is an increased risk of malpractice, neglect, and infections.

Understanding Regulations

The risks are generally greater for non-hospital surgical facilities compared to hospital surgical facilities, given the restricted or limited contingency plans for intraoperative emergencies and post-op care. This is why more complex cases are typically done in hospitals rather than non-hospital surgical facilities. Also, surgical centers do have the same staffing and equipment requirements as the hospitals, which could lead to a higher patient risks in life threatening situations.

Over the last few years, the College of Physicians and Surgeons of Ontario (CPSO) has increased inspections to oversee these facilities. The CPSO and the Canadian Association for Accreditation of Ambulatory Surgical Facilities also serve as the governing body that accredits surgical facilities. But the liability risks are still high.

What MedThree Can Offer

As an insurance professional, you can grow your healthcare book of business by using MedThree Insurance Group's products, because they provide complete and integrated coverage for the healthcare industry. MedThree provides comprehensive coverage for surgical facilities, including:

- Professional liability
- General liability
- Crime
- Equipment breakdown
- Property
- Cyber

With MedThree's complete coverage product designed for non-hospital and ambulatory surgical centres, insurance professionals can confidently broker the complicated risks associated with this evolving industry.

The MedThree Advantage

MedThree Insurance Group are specialists in writing healthcare risks and keep abreast of the nuances and forever changing regulations and guidelines within the healthcare industry. By contrast, general underwriters may simplify the process by referring to a generic list and rate the coverage based on a lack of understanding of the landscape of healthcare risks, leaving the healthcare facilities unprotected or with insufficient insurance coverage.

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