

equipment Planning and your Center

Six Things to Consider

By Toni Angle and Elaine Lang, RN

Whether you're opening a new surgical center or looking to update your current center's equipment, here are six important factors to consider in the planning stages.

1. Lease or Buy?

When deciding whether to lease or buy, start by asking yourself these questions.

- How long will you need the equipment, and what is its lifespan?
- Is the equipment known for being reliable and high quality?
- What type of warranty and guarantees are included?
- What does the service plan look like?
- Do you trust the equipment vendor? Make sure the company has a solid track record and positive references.

Be wary of signing long-term leases and maintenance agreements. The up-front cost savings may seem attractive but can end up costing more in the long run. Longer-term leases and commitments can stick your center with a product that could become second or third generation in a short amount of time.

If you're just getting started, it may be more cost effective to rent equipment on a per-click or per-day basis. Some vendors will provide loaner equipment or extend payments if you ask. These approaches save on cash flow and tie expenses to utilization. They also allow your center to try out new specialties if you're not certain whether they'll be profitable over the long term.

2. New or Used?

When purchasing new versus refurbished equipment, it's important to consider the usefulness of the equipment being purchased. You should also balance the technology of the equipment (and the potential life span of that technology) with your center's budget, case mix and potential revenue.

Make sure that any equipment you're considering is in good condition, quality and has adequate warranties (two years is preferred). Check that good support is available in the area, since service can differ throughout the country for the same vendors.

Refurbished equipment can be a good value, but only if it's purchased from a reputable vendor or directly from the manufacturer. But if you don't do your homework, refurbished equipment can be a nightmare. Look for refurbished equipment that is durable and can be repaired easily, such as microscopes, sterilizers and C-arms. Monitors and anesthesia machines can also be good refurbished options if they aren't too old, are not nearing obsolescence and are in good documented repair.

3. Price

Your center has a budget to stick to, so don't be afraid to negotiate when it comes to price. Most vendors are willing to "deal," but you may have to push them to do so.

Don't take the first price you're offered. Shop around for competing prices, even if you already have an existing agreement with a particular vendor. This will help you feel comfortable with your final decision, and will keep your vendors honest. Also tap into any corporate and GPO arrangements your center has in place to maximize continuity and your center's current efficiencies.

Be careful of hidden costs. When getting quotes, ask for equipment pricing that does and does not include supply costs.

4. Understand Your Center's Needs

It's easy, especially with a new center, to over-purchase. Resist the urge by carefully evaluating your needs based on your center's specialty mix and a thorough cost/benefit analysis. Also consider your physicians' preferences and loyalties.

Once you've determined your center's needs, be sure to obtain permits when necessary for the installation of major equipment. This is important for equipment additions or upgrades to existing centers that require electrical, plumbing and life safety changes. Existing centers should also consider how upgraded and expanded equipment purchases will work with current equipment systems and uses.

Purchase equipment for your center's current needs, and not what you anticipate your center's needs to be in the future.

Standardize equipment as much as possible. Complimentary specialties should use similar equipment when possible, such as scopes, video equipment and instrumentation.

5. Plan Ahead

When planning for a new center, make sure that all new equipment is documented, organized, and clearly defined/specified up-front for the design process. This will ensure that all fixed and major moveable equipment is provided for in the construction plans. Future equipment can be specified and roughed in for future installation.

6. Be Prepared

It is absolutely necessary to include training and development in your equipment planning process. For example, when considering information systems, be prepared to invest resources in the process to develop system data tables. It's essential that accurate data be entered into the database prior to installation so staff can be appropriately trained and so the system can function optimally during operations. You will be unable to retrieve the information necessary from the system at a later date if you don't know what needs to be developed for the system's database (system modules such as scheduling, billing and inventory) and therefore invested in the start-up phase.

Fitting your new or existing center with the appropriate equipment can be a challenge. Keeping these questions and key considerations in mind during your next equipment purchase or upgrade will help ensure you don't overlook any important factors along the way. □

Toni Angle is vice president of facility development, and Elaine Lang, RN, is director of materials management, for Sacramento, Calif.-based Titan Health Corporation, which is an ambulatory surgery center (ASC) development and management company with 19 centers nationwide. For more information, call (916) 614-3600.

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