

What are the clinical, operational, and policy challenges limiting the growth of Ambulatory Surgery Centres (ASCs) in urban India?

2025





Key Takeaways

1. Many Patients trust hospitals, not ASCs

According to surgeons interviewed, many patients still associate quality care with brand-name hospitals and longer stays.

2. Same-day discharge is a barrier

Resistance to going home the same day remains high, especially among older and middle-income patients.

3. High Net-Worth Individuals (HNIs) and younger patients are ASC-ready

These groups value privacy, efficiency, and data-led decision making, making them more open to ASC models.

4. Surgeons want structured clinical pathways

Adoption would increase if clear, evidence-based protocols for surgery, discharge, and follow-up were in place.

5. Post-op support is a major concern

Lack of frameworks to handle complications after discharge deters surgeon participation.

6. Insurance coverage is patchy and inconsistent

Daycare procedures are often excluded or come with higher deductions, undermining cost benefits.

7. ASCs need digital infrastructure

There's limited use of EHRs, virtual consults, or consent. Digital tools can streamline care and improve documentation.

8. No single ASC model fits all

Operating setups vary widely in staffing, infection control, and equipment, making it harder to replicate models or ensure consistent surgical quality.

9. There's opportunity in underserved areas

Suburban regions with weak hospital access (e.g., Vasai, Virar) present strong growth potential.

10. Policy clarity is urgently needed

ASCs lack legal recognition, standardised grading, and formal regulation, limiting insurer and clinician confidence.



Executive Summary

This qualitative study examines the current Ambulatory Surgery Centres (ASC) landscape in India, drawing on secondary research and six in-depth interviews with practising surgeons across orthopaedics, oncology, bariatric, laparoscopic, and spine surgery. The objective is to better understand clinician perspectives, patient behaviours, and the systemic enablers and constraints shaping ASC development in the Indian context.

Key findings indicate a growing demand for low-hospitalisation surgical care, particularly among younger, more digitally aware patients. However, a number of structural challenges continue to limit scale and consistency. These include inconsistent insurance coverage, limited regulatory recognition, entrenched cultural preferences for inpatient care, and underdeveloped digital systems. Despite this, several clinicians express cautious optimism about the ASC model, especially in areas such as orthopaedics, ENT, and diagnostics, and in underserved geographies.

This paper provides a fact-based, practitioner-informed overview of India's ASC ecosystem. It is intended to serve as a reference point for further dialogue across healthcare, policy, and private sector actors looking to reimagine the future of surgical care in India.

Background and Context

The concept of Ambulatory Surgery Centres (ASCs) originated over five decades ago as a response to operational inefficiencies and patient dissatisfaction in hospital-based surgical care. By offering procedures that do not require overnight admission, ASCs quickly established themselves in markets like the United States, where the model is now fully integrated into mainstream healthcare delivery. These centres prioritise efficiency, safety and affordability, supported by advancements in surgical tools, anaesthesia and digital systems.

In India, ASCs are still evolving. Their emergence has largely been led by private clinicians and small-scale health entrepreneurs rather than institutional healthcare systems. Most centres remain independent or semi-integrated with hospitals, and there is no universal classification or policy recognition that defines what constitutes an ASC. Unlike large multispeciality hospitals, day-care surgery centres often operate in specialised domains such as orthopaedics, ENT, gynaecology or ophthalmology.

In urban centres like Mumbai and Bengaluru, infrastructure and patient awareness have encouraged ASC experimentation. But in the absence of national standards and integrated care pathways, practices vary widely in clinical protocols, post-operative care and technology use, often shaped by individual provider preferences.

Despite this variability, the core appeal of ASCs, fast, reliable care at lower cost, aligns well with shifting patient expectations in India's changing healthcare landscape. Busy lifestyles, chronic conditions and an ageing population are contributing to rising demand for outpatient procedures with short recovery times. Most ASC procedures do not require an overnight stay and typically involve zero or minimal observation charges. Pricing is often bundled, covering standard consumables, surgeon fees



and a short recovery period before discharge. In contrast, hospital-based surgeries are generally priced higher due to longer institutional stays and separate billing for each service component. The orthopaedics segment, for example, was the largest revenue-generating ASC speciality in 2023, accounting for 26.69 percent of the market.

While the ASC market in India remains fragmented, it is poised for growth. According to IMARC, the ASC market in India is valued at USD 4.48 billion in 2024, with a projected CAGR of 7.16 percent through 2030 (imarc). Insurance products are also adapting, with several policies from providers like HDFC Ergo, Aditya Birla, and Tata AIG now covering day-care surgeries. India's popularity as a medical tourism destination further supports the growth of high-quality outpatient surgery models.

Despite growing interest in outpatient care, Ambulatory Surgery Centres (ASCs) remain a poorly defined and unevenly adopted model in India. This study was undertaken to understand why, and to identify what structural, clinical, and behavioural changes are needed to support their wider growth.

Who We Met

To better understand the practical realities of Ambulatory Surgery Centres in India, we conducted in-depth interviews with six senior clinicians practising in Mumbai. These included specialists in orthopaedics, oncology, bariatric surgery, laparoscopic surgery, and spine surgery. All participants had over a decade of clinical experience and represented a mix of private practice owners, hospital-based consultants, and health system entrepreneurs.

Dr. Miten Sheth is an orthopaedic surgeon and clinic owner who has explored the feasibility of microsurgical day-care centres across Mumbai. He emphasised that patient preferences are strongly influenced by general practitioner referrals, perceived reputation, and the overall feel of the facility. According to him, high-net-worth individuals value privacy and convenience, while younger patients tend to seek data-driven decisions. He highlighted gaps in digital systems, the variability in pre-operative assessments, and inconsistencies in insurance coverage for day-care procedures.

Dr. Ramakant Deshpande, an oncology specialist, was more sceptical about the viability of ASCs in the Indian context. He noted that while patients do appreciate technology-enabled facilities, the relatively low cost of hospitalisation in India reduces incentives to shift towards day-care settings. He also pointed to limited traction for ASCs due to insurance-driven admission timelines and entrenched patient behaviours.

Dr. Muffi Lakdawala, a senior bariatric and robotic surgery specialist, expressed doubts about the model's long-term potential in India. He noted that many patients still associate longer hospital stays with better care and security. While he acknowledged that robotic surgery is increasingly preferred by patients, he viewed the ASC model as operationally and culturally misaligned with current expectations.

Dr. Nilesh Doctor, a laparoscopic surgeon, was more open to the ASC model and expressed personal interest in expanding day-care surgical offerings. He noted that current systems for post-operative monitoring and complication management remain fragmented. He emphasised the need for clear



discharge protocols, simplified anaesthesia techniques, and structured frameworks to ensure patient safety beyond surgery.

Dr. Priyank Patel, a spine surgeon, highlighted patient reluctance to move away from inpatient care, especially in premium hospital settings. He cited brand reputation, perceived safety, and insurer limitations as major obstacles to ASC adoption. He also flagged the regulatory classifications around ICU-grade surgeries as a key constraint on surgical decision-making in day-care settings.

Dr. Abhay Nene, an orthopaedic consultant, was cautiously optimistic about the ASC model, particularly in underserved geographies like Vasai, Virar, and Ulhasnagar. He pointed out a lack of post-surgical rehabilitation centres and noted that many senior surgeons were reluctant to work outside high-margin, established hospital environments. Nevertheless, he saw potential for expanding surgical access through targeted micro-centre models.

These interviews surfaced both enthusiasm and scepticism, reflecting the diverse experiences and practical challenges faced by Indian surgeons when considering ASCs as a viable model for the future.

Research Objective

This study explores the potential and limitations of Ambulatory Surgery Centres (ASCs) within India's healthcare ecosystem. While globally established, the ASC model in India remains underdeveloped and unevenly adopted. The objective of this research was to understand how Indian clinicians engage with the model, and what structures are needed to make it viable at scale.

The study focuses on four central areas of inquiry:

Clinical Practice and Workflows

How are surgeries, preoperative assessments, follow-ups, and infection control managed in ASC settings? What clinical protocols and staffing norms currently exist?

Patient Behaviour and Trust

What influences patient willingness to opt for same-day discharge? How do social, economic, and generational factors shape care preferences?

Business Models and Revenue

What organisational and financial models are being used to run ASCs? How do cost structures, insurance coverage, and infrastructure investments affect sustainability?

Policy and Regulation

What legal, accreditation, and insurance frameworks exist to support or inhibit ASCs? How do regulatory grey zones affect adoption?



Methodology

This study used a qualitative approach to explore how ASCs are perceived, structured, and practised in the Indian context. It draws on two key sources of data:

Secondary research

Extensive desk research was conducted to review existing literature, market reports, and publicly available data on the ASC model in India and globally. This included analysis of operational models, insurance frameworks, and healthcare delivery innovations.

Primary interviews with clinicians

In-depth conversations were held with six senior clinicians from varied specialisations, including orthopaedics, oncology, bariatrics, spine surgery, and general surgery, practising in urban centres across Mumbai. The interviews aimed to capture nuanced clinical, operational, and cultural insights on ASC adoption. Each conversation was guided by a semi-structured set of questions covering:

- a. Clinical workflows and preferences
- b. Patient attitudes and demand patterns
- c. Infrastructure and infection control
- d. Insurance, billing, and revenue challenges
- e. Regulatory awareness and perceived risks

These interviews were not recorded but were documented in real time through detailed notes. Together, the two methods allowed for both system-level understanding and context-rich clinician perspectives, helping identify practical considerations for ASC expansion in India.

Insights

1. Clinical Practice and Workflows

ASC protocols vary widely. Younger doctors favour outpatient pre-op assessments, while older ones often follow inpatient norms, especially when required by insurers. Post-op follow-ups are standardised in schedule but not in content; virtual care and EHR usage are minimal. OT setups differ by procedure, and infection control lacks consistency across centres.

2. Patient Behaviour and Trust

Patients generally prefer inpatient care and known hospital brands. Same-day discharge faces resistance, especially among older and middle-income groups. High Net-Worth Individuals (HNIs) and younger patients are more open to outpatient procedures. Trust depends on referrals, reputation, and infrastructure rather than cost or convenience.

3. Business Models and Revenue

ASCs face fragmented operations and weak insurance support. Daycare procedures are often not covered cashlessly, leading to more out-of-pocket spending. Interest exists in smaller, decentralised centres, but scaling is hard without standard protocols, quality benchmarks, or funding.



4. Policy and Regulatory Environment

There are no specific laws for ASCs. Licensing, quality control, and insurance recognition remain ambiguous. National surgery grading rules can limit what's permitted in outpatient settings. Surgeons cite lack of legal clarity and complication protocols as key barriers to adoption.

Challenges and Limitations

This report is shaped by a qualitative methodology, which, while rich in depth, brings certain limitations. The clinicians interviewed were primarily from established private practices in Mumbai, which may introduce a degree of contextual narrowness. While this sample is appropriate for qualitative research, the findings may not reflect broader national patterns or perspectives from public health settings.


Additionally, the concept of ambulatory surgery is still emerging in India, leading to a limited pool of practitioners with direct experience in this model. As a result, some responses may reflect general attitudes rather than grounded practice. The exclusion of insurance providers and third-party administrators also limits insight into the payer-side dynamics that critically influence ASC feasibility. Lastly, the healthcare landscape in India is evolving rapidly, particularly with respect to regulation, technology, and care delivery models. This report reflects the state of affairs at a specific point in time and should be interpreted with that context in mind.

Thank You!

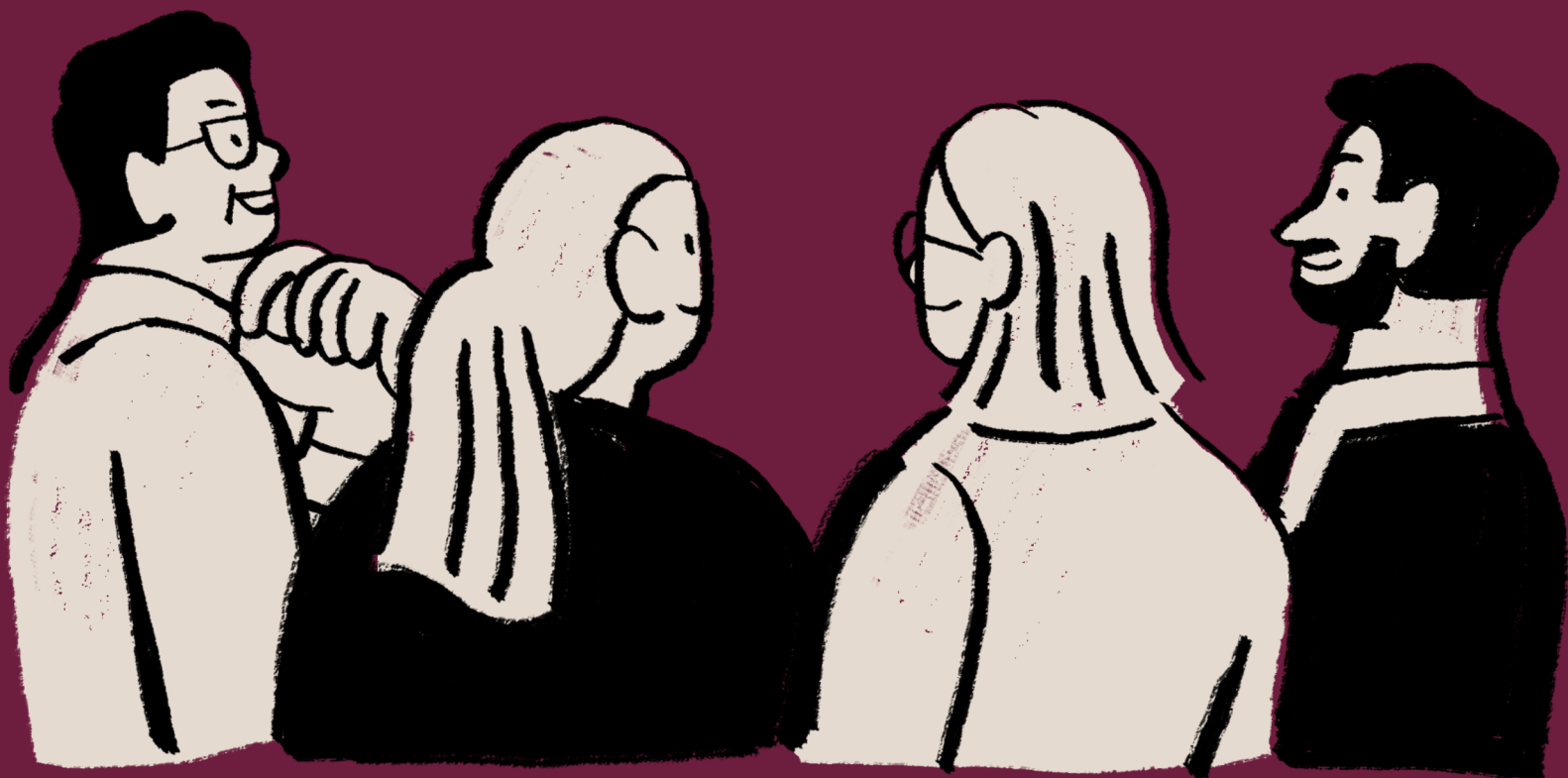
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