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ASCA Supports Introduction of Ambulatory Surgical Center Quality and Access Act of 2011

Legislation establishes reimbursement and regulatory policies that promote cost savings and patient access

Washington, DC (June 3, 2011) – The Ambulatory Surgery Center Association (ASCA) today announced support for the newly introduced Ambulatory Surgical Center Quality and Access Act of 2011 (H.R. 2108). The bill, authored by US Representatives Pete Sessions (R-TX), John Larson (D-CT), Shelley Berkley (D-NV) and Bill Cassidy (R-LA), is aimed at preserving patient access to the high quality, cost-effective health care services that ambulatory surgery centers (ASCs) provide.

Specifically, the bill puts policies in place that would establish reasonable Medicare reimbursement for ASCs, encouraging additional cost-savings to Medicare. In addition, the legislation would require implementation of a value-based purchasing (VBP) program to encourage collaboration between ASCs and the government while generating additional savings for the Medicare system.

“The ASC Quality and Access Act is critical to the viability of ASCs and would ensure that Medicare continues to save more than \$3 billion while being able to offer its beneficiaries access to the same high-quality care as hospitals in a lower cost setting,” said ASCA Board Chair David Shapiro, MD. “The current reimbursement structure is illogical and unsustainable. While ASCs and HOPDs provide identical outpatient surgical care, ASCs are reimbursed by Medicare at only 56% of the amount paid to HOPDs. Without a fix, patients will be driven to seek care at HOPDs, which will cause their out-of-pocket expenses and Medicare costs to rise.”

“As an industry, ASCs are also particularly pleased that this legislation would implement a national quality reporting system that will allow objective third-party review and meaningful comparisons among various surgical care providers,” continued Shapiro. “The ASC community is also committed to the provisions in this bill that would lead to implementation of a value-based purchasing program.”

The legislation would:

- Establish parity and balance by providing ASCs with the same market basket update that HOPDs receive.
- Incorporate and expand upon a Medicare Payment Advisory Commission recommendation that ASCs be required to provide quality data—ensuring that consumers have comparable information on price and quality from all care providers to inform their decisions about where to receive outpatient surgery.
- Ensure that Medicare continues to save money while rewarding ASCs for their unique cost-effectiveness by requiring the Centers for Medicare & Medicaid Services (CMS) to implement a value-based purchasing (VBP) program that would:

- create an incentive for ASCs and the government to collaboratively focus on moving clinically appropriate services into the low-cost, high quality ASC setting,
- generate savings to the Medicare system as surgery migrates from more expensive surgical care settings into ASCs.
- Return part of the savings the program generates to Medicare. Another portion would be used to reward participating ASCs. The bonus pool for ASCs would apply only in years in which there are demonstrable savings, ensuring that the system remains at least budget neutral.

The bill also:

- Directs CMS to add a representative of the ASC community to the membership of the Advisory Panel on Ambulatory Payment Classification Groups because decisions made by the panel affect ASC facility fees and eligible procedures.
- Fixes an illogical hurdle for ASC patients by allowing all patients who would benefit from obtaining surgery on the same day as their doctor visit to have their surgery in an ASC. Currently, ASC physicians must take most of those patients to the hospital where the HOPD is allowed to provide notification of the patient's rights on the same day of the surgery. Notification a day in advance is required of ASCs unless the physician signs a statement indicating that it is medically necessary for the patient to have surgery that same day.

A detailed bill summary can be found at www.ascassociation.org/2011ASCActBrief.pdf. A complete copy of the bill is available at www.ascassociation.org/2011ASCAct.pdf.

ASCs are modern health care facilities focused on providing same-day surgical care, including vital diagnostic and preventive health care procedures such as colonoscopies. Last year, approximately 5,200 ASCs provided 5 million outpatient surgeries.

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