



Our Patients Come First

The Honorable Maria Cantwell
United States Senate
511 Dirksen Senate Office Building
Washington DC 20510

Dear Senator Cantwell:

As a practicing physician, and President of WASCA and as an Administrator and nurse, we are watching the health care reform effort with decidedly mixed feelings. Our colleagues and I are on the front lines, delivering care. We are asking you to respond to specific requests for help made to your staff and you that will allow Ambulatory Surgery Centers to provide quality, affordable care to your Medicare constituents.

On average, Medicare program pays ASCs 41% less than it pays hospitals to provide the same service. If these cuts continue, then more patients will go to the highest cost providers – hospitals. Is that the plan that is going to save money?

The communications with the Washington Ambulatory Surgery Center Association and your office show that there is agreement in the importance of maintaining access to cost-effective health care, while maintaining the highest standards of clinical excellence and patient safety.

We are joining with many others who have asked you to sign onto the Senate letter being circulated by the office of Senator Crapo. Our hope is that you will meet with a group of Washington state physicians, administrators and nurses on this issue (a total of 7 people). We have attached our letter to Acting Commissioner Charlene Trizzera of CMS.

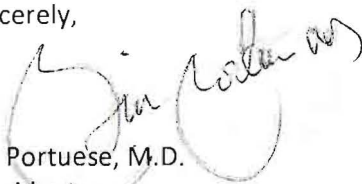
This letter calls for CMS to adopt two key policies in the final 2010 Payment Rule for ASCs that would maintain the alignment between payments to ASCs and Hospital Outpatient Departments (HOPDs).

1. Apply the hospital market basket inflation-unit factor to ASC payments in 2010 instead of the consumer price index for urban consumers (CPI-U) factor used in the past.
2. Utilize the same relative weights across settings.


The frustrations being seen at hearings across the country are real! We see fear, anger and concern in our waiting rooms every day.

We urge you to make time for us to have this discussion. Please help us continue to play a role in providing quality, affordable care to Medicare recipients – your constituents – our patients!

Sincerely,



Bill Portuese, M.D.
President



Terry Hawes, R.N.
Past President

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September 11, 2009

Charlene Frizzera
Acting Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Acting Administrator Frizzera:

We are writing to request your assistance to address a significant problem that threatens patient access to cost-effective surgical care – adequate payments to ambulatory surgery centers (ASCs). As you know, ASCs have not received a payment increase since 2003. In its proposed rule, the Centers for Medicare and Medicaid Services (CMS) suggest an update of a 0.6 percent for ASCs in 2010, which was the estimate of consumer price index (CPI) at the time. Since ASC payments are linked to CPI, it is quite possible, with the continued deflation in the economy due to falling housing and energy prices, that CPI could be negative. Because ASC payments are linked to CPI, ASCs could receive a negative update after a multi-year freeze, which would be arbitrary and more importantly, poor public policy.

Medicare beneficiaries save millions of dollars in copayments, and the Medicare program saves even more when beneficiaries choose an ASC for their outpatient surgical care. These facilities provide patients with a high-quality, convenient and less expensive option for their outpatient surgery and now provide about 40 percent of all outpatient surgery in the U.S. ASCs are a critical point of access for important screening benefits and other nondiscretionary services such as diagnostic colonoscopies and cataract removal surgery. Given that ASCs are the provider of choice for these and other benefits in many markets, establishing an appropriate ASC payment update factor is important to ensuring continued access to services which improve and extend beneficiaries' quality of life.

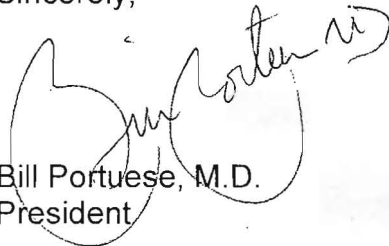
We urge the CMS to use its discretionary authority to update ASC payments by an index that more accurately reflects ASCs costs – the hospital outpatient department market basket. ASCs are the only Medicare facilities for which payment updates are determined using the CPI-U, an index designed to serve as an economy-wide measure of consumer inflation and driven by changes in energy and housing prices. The CPI-U inputs do not reflect the items and services that ASCs must purchase in order to provide care for their patients. Indeed, ASCs and hospitals have similar inflationary pressures such as hiring and retaining nurses, purchasing medical supplies and health information technology.

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It is our understanding that CMS has the authority to implement the hospital market basket as the index for updating ASC payments. Section 1833(i)(2)(C)(i) of the Social Security Act requires that the Secretary update the payment amounts established under the revised system by the CPI-U as a **default**, but only if the Secretary has not otherwise updated the payments for that year. The statute, therefore, does not mandate the adoption of any particular update mechanism. CMS can, and should, update its policies to establish the hospital market basket as an alternative ASC update mechanism. In fact, CMS noted the breadth of authority around updating ASC payments when implementing the new system.

Thank you for your review and consideration of this important issue. We would appreciate an update on your policy development in this area as soon as possible.


Sincerely,



Bill Portuese, M.D.
President



Susan Simons, R.N.
Vice-President



Terry Hawes, R.N.
Past President