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**FOR IMMEDIATE RELEASE**

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**FEDERATED AMBULATORY SURGERY ASSOCIATION COMMENDS SECRETARY LEAVITT FOR COMMITMENT TO REFORM ASC PAYMENTS**

ALEXANDRIA, VA (MAY 11, 2006) – Today Kathy Bryant, President of the Federated Ambulatory Surgery Association, the largest ASC association commended Health and Human Services Secretary Michael Leavitt for reiterating his pledge to allow ASCs to perform more procedures and be paid more fairly by Medicare.

Secretary Leavitt made the following statement with regard to ASC payments in HHS's May 9th Strategic Plan Regarding Physician Investment in Specialty Hospitals:

“CMS is developing revisions to the list of procedures eligible for payment to ASCs to take effect by July 1, 2007 and expects to include most outpatient hospital surgical procedures in the ASC fee schedule by 2008. As a result Medicare payments under that system will: (a) better reflect the resources required to perform specific surgical procedures and (b) be similar to payments under other payment system to the extent that similar procedures and use of resources are involved.” (p. 4)

Bryant, said, “I commend Secretary Leavitt for stating that HHS intends to include most outpatient hospital services on the ASC fee schedule in 2008. In addition, I am delighted that Secretary Leavitt appears to support the goals of the Crapo-Herger Ambulatory Surgical Center Medicare Payment Modernization Act (S. 1884/H.R. 4042) to make ASC payments similar to payments for other outpatient surgery, notably the hospital outpatient prospective payment system.”

This sentiment was echoed by Senator Mike Crapo (R-ID) and Representative Wally Herger (RCA).

Senator Crapo said, "I am pleased to see that CMS intends to administratively implement key aspects of my ASC Medicare Modernization bill (S. 1884). It will enable seniors to make apples-to-apples comparisons and save money on their outpatient surgery."

Representative Herger said, "As the sponsor of legislation in the House (H.R. 4042) to update the ASC payment system, I'm pleased that CMS has listened to the recommendations of the ASC industry, members of Congress, and the Medicare Payment Advisory Committee in proposing this commonsense change to Medicare's payment policies. This policy will expand consumer choice and improve patient care, and I believe it will ultimately save money for Medicare."

“CMS and Congressional leadership on this issue has a profound effect on making it easier for seniors to access safe and affordable surgical services at the nation's ASCs,” said Bryant.



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“Medicare’s ASC list is based on outdated and obsolete rules and is unable to keep up with fast changing medical breakthroughs and developments. We look forward to continuing to work with the Members of Congress and CMS on allowing Medicare beneficiaries the same access to procedures in ASCs as other patients.”

### Background

In a letter to Senator Mike Crapo in December 2005, Secretary Leavitt had pledged to fundamentally reform the ASC list in 2008 to allow ASCs to perform most outpatient surgical procedures. In addition, The Medicare Modernization Act requires the ASCs to be transitioned to a new payment system but provides CMS with wide latitude on how that system will be constructed. FASA has supported tying ASC payments to the Hospital Outpatient Prospective Payment System.

Over the past three decades, ASCs continue to meet America’s surgical needs by offering patients a better way to have outpatient surgery, such as eye and knee surgery. Eighty percent of all surgeries in America today are outpatient, and one out of every five of these is performed at an ASC. ASCs throughout the country have outstanding patient safety records, high rates of efficiency and exemplary customer satisfaction.

The Federated Ambulatory Surgery Association, the nation’s largest association of ambulatory surgery centers, is a national, nonprofit association representing the interests of those who operate and seek the services of ambulatory surgery centers throughout the nation. The organization represents more than 1,800 ASCs, the professionals who provide care and services in such ASCs and the patients who seek care there. Visit FASA online at [www.fasa.org](http://www.fasa.org).

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