**ASC Quality and Access Act of 2017 (H.R. 1838/S. 1001)**

US Representatives Devin Nunes (R-CA) and John Larson (D-CT) in the House of Representatives and US Senator Mike Crapo (R-ID) in the Senate have introduced the *Ambulatory Surgical Center Quality and Access Act of 2017* to ensure that the Medicare program and its beneficiaries continue to enjoy the high level of care and cost savings that the more than 5,400 ASCs across the nation provide.

**Background**

* ASCs provide high quality outpatient surgical and preventive care similar to a hospital outpatient department (HOPD), but at a much lower cost to patients and the Medicare program.
* In 2003, Medicare paid ASCs 86% of the amount paid to HOPDs; today, Medicare pays ASCs 49% of the amount paid to HOPDs, which increases economic pressure for ASCs to sell their facilities to hospitals, who in turn convert them to HOPDs, costing patients and tax-payers billions.
* This growing disparity in reimbursement is caused by the differing inflationary update factors CMS uses for ASCs and HOPDs. ASCs are updated based on the Consumer Price Index for All Urban Consumers (CPI-U), which measures the rising cost of goods like milk and eggs; HOPDs are updated based on the Hospital Market Basket, which measures the rising cost of providing medical services.
* Per a 2013 analysis by the University of California-Berkeley Nicholas C. Petris Center on Health Care Markets and Consumer Welfare, during the four-year period from 2008 to 2011, ASCs saved the Medicare program $7.5 billion ―$2.3 billion in 2011 alone.
* The Berkeley researchers also found that ASCs have the potential to save Medicare up to $57.6 billion more over the next decade. These savings occur because Medicare pays significantly less—and patients' coinsurance is less—for the same procedures when performed in ASCs instead of HOPDs.

**Legislation**

* The *Ambulatory Surgical Center Quality and Access Act of 2017* would move the ASC reimbursement update from the Consumer Price Index for All Urban Consumers (CPI-U) to the hospital market basket update, which better measures the cost of practicing medicine;
* This legislation would also require CMS to post similar quality metrics of ASCs and HOPDs online in a “side-by-side comparison.” The publicly available data would include quality measures and copay amounts for both sites of service in the same geographic area;
* Currently, ASCs do not have a voice on the Advisory Panel on Hospital Outpatient Payment, which controls various aspects of physician payment rates. This legislation would add an ASC industry leader to that panel;
* The bill would also add transparency to the health care industry by requiring the Centers for Medicare and Medicaid Services (CMS) to disclose which criteria they use to deny certain procedures from being performed in an ASC and by requiring them to make publicly available the results of quality reporting measures that apply to both ASCs and HOPDs.