



# ASA Update 2007

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# Affiliations

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# Disclaimers

- No commercial conflicts of interest to disclose
- The views and opinions expressed in this presentation are my own and do not necessarily reflect the positions and policies of the American Society of Anesthesiologists.

# What is the ASA?

- Founded in 1905
- Over 41,000 members in multiple categories including Educational Member
- Organizes and hosts the largest anesthesia meeting in the world
- Publisher of *Anesthesiology*

# What is ASA? (cont.)

- Education
- Research
- Standards of Care
- Advocacy
- Leading sponsor of the independent anesthesia foundations

# Foundations

- Foundation for Anesthesia Education and Research - \$1,500,000
- Anesthesia Patient Safety Foundation - \$500,000
- Wood Library / Museum of Anesthesiology - \$400,000

# But really...

- The ASA is just people like you and me working through committees and the House of Delegates to enhance patient safety and advance the art and science of anesthesiology.

# Hot Topics

# Governmental Affairs

- Medicare payment system
- Reimbursement parity under Medicare
- Medicare teaching rule
- Health care reform

# Physician Payments Under Medicare

# Fantasy financing

- The disconnect between the payment received for a service and the cost of providing that service is the single greatest threat to the practice of anesthesiology
- Governmental payment systems (Medicare, Medicaid, SCHP) are *built* on this fantasy

# Correction of Medicare Update Formula (SGR Formula)

- Existing policy deducts increases in utilization (including drug costs) from physician payments
- 8.9% reduction for anesthesiology on Jan. 1, 2007 (5 Year Review and new practice expense methodology)
- 10% reduction set for Jan. 1, 2008
- Continuing or increased cuts next six years

# SGR (cont.)

- No corrections to inequities in current payment system (the severe undervaluing of anesthesia services)
- May be tied to Pay for Performance

# Pay for Performance (P4P)

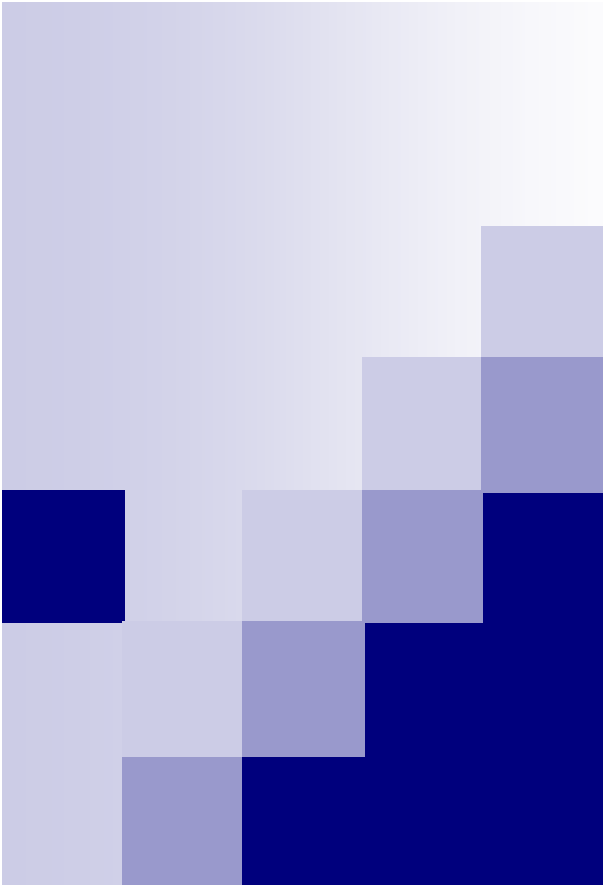
- Will tie a portion of future Medicare payments to reporting and performance on quality measures
- CMS is looking to the professional societies for P4P metrics
- Already being adopted by commercial payers

# P4P for Anesthesia Services

- Maintaining patient normothermia for procedures > 60 minutes
- Proper timing of antibiotic prophylaxis
- Comprehensive history and physical for chronic pain patients

# P4P (new)

- Prevention of ventilator-associated pneumonia
- Prevention of catheter-related bloodstream infections
- Choice of perioperative antibiotic
- Maintenance of serum glucose under 200 in cardiac surgery
- Prophylaxis for venous thromboembolism



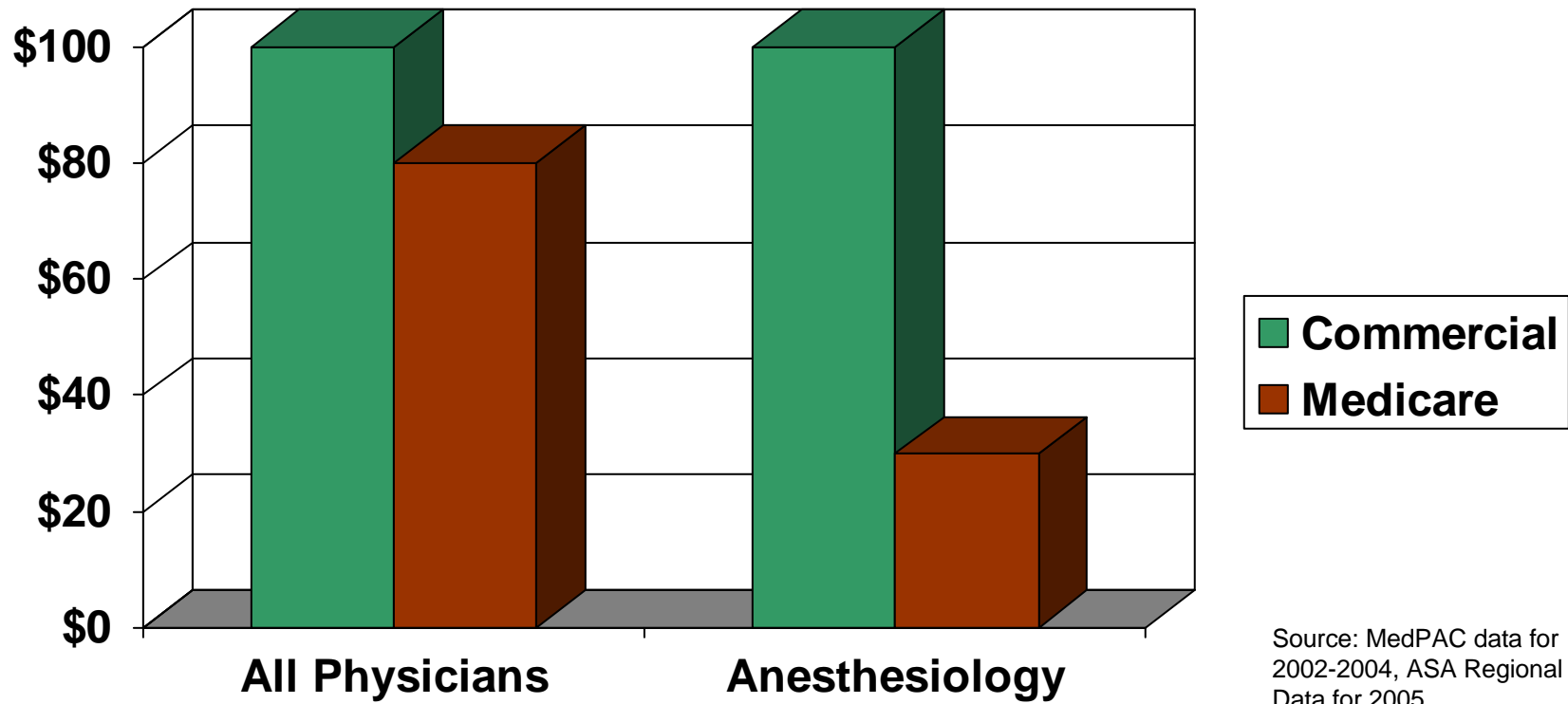
# Parity for Anesthesia Services Under Medicare

**\$15.89**

# Reimbursement Parity

- MACF is 70% of what it was in 1991
- Medicare pays anesthesiologists 30-40% of what private payers pay
- All other physicians average about 80% of private payer rates
- CMS has ignored multiple ASA and RUC studies documenting low rates

# Comparison of Commercial Insurance to 2007 Medicare Payment Rates (Commercial set to \$100)



# Fixing the Parity Problem

- RUC efforts
- Direct lobbying of CMS
- Legislative relief
- Antitrust relief
- The nuclear option

# What can't ASA do?

- Negotiate rates with non-governmental payers
- Arrange or promote group boycott (Sherman Antitrust Act)

# The Teaching Rule

# Teaching Reimbursement

- Anesthesiology is the only medical discipline to have its payments reduced when concurrently directing trainees in the care of more than one patient (Surgery 2:1, Internal Medicine 4:1)
- Some commercial payers have adopted this strategy
- We are all invested in the success of academic anesthesia programs

# Health Care Spending

- Medicare is currently 3.6% of GDP
- It will be 7.7% in 2035
- Medicaid spending now more than Medicare
- Some state's Medicaid spending comprises 1/3 of budget
- Taxpayer funded healthcare will soon be 50% of all healthcare spending
- Other entitlement spending is increasing as well



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GOVERNMENT & MEDICINE

## **Bush budget plan slashes billions from Medicare, Medicaid spending**

**Democratic leaders in Congress reject many of the president's proposed cutbacks.**

By [David Glendinning and Doug Trapp](#),  
AMNews staff. Feb. 26, 2007.

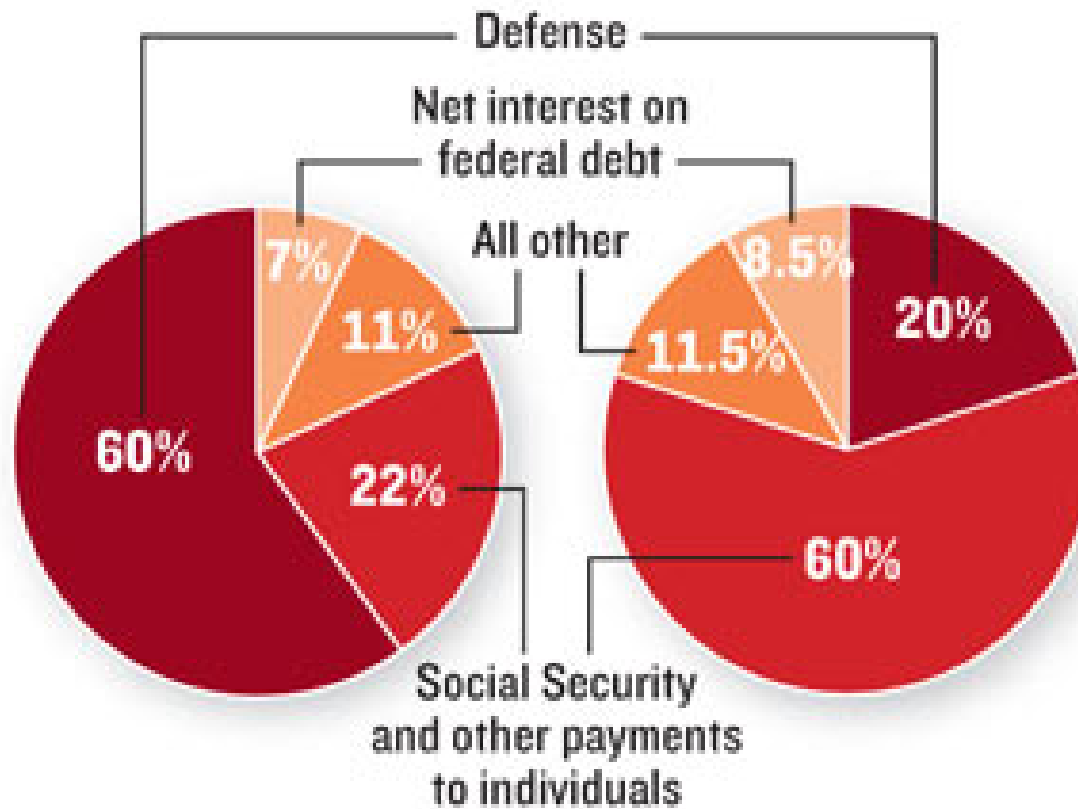
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Washington -- President Bush presented an austere fiscal year 2008 budget to Congress earlier this month, pledging no new money for Medicare physician reimbursements and proposing to slash the rate of public health program growth in other areas.

# Shifting Priorities

The budget has moved from defense to Social Security and other personal payments.

## Federal spending, 1956 and 2006



SOURCE: OFFICE OF MANAGEMENT AND BUDGET

Newsweek,  
Feb. 19, 2007

# Wrong Priorities?

- Healthcare now surpasses war as the winner for 'most costly human endeavor'
- Multiyear spending on Gulf War, Iraq War, and Afghanistan is about \$400 billion
- Medicare and Medicaid would eat through that amount in 6 months

- Entitlement reform will be key
- Not just for the health care system...
- But also for the survival of all other governmental programs we hold dear (education, roads, environment, research, law enforcement, and the social welfare safety net)

# Safety Initiatives

# Safety Initiatives

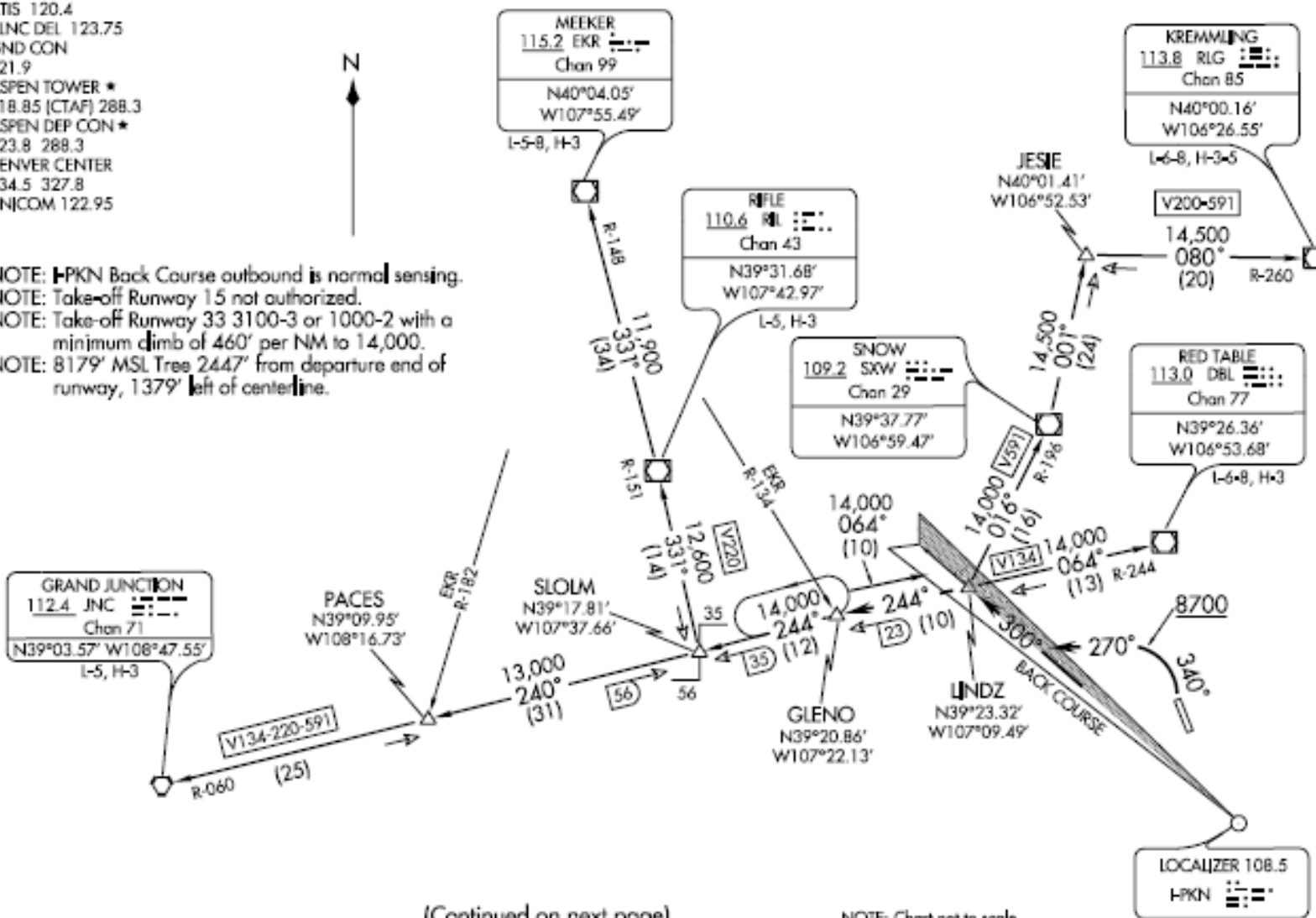
- Patient Safety and Quality Improvement Act of 2005
- Creates reporting mechanism for safety issues
- Modeled on the aviation reporting system
- Details reported cannot be used in litigation or liability actions

SW-1, 15 FEB 2007 to 15 MAR 2007

LINDZ FOUR DEPARTURE  
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 ASPEN, COLORADO

ATIS 120.4  
 CLNC DEL 123.75  
 GND CON 121.9  
 ASPEN TOWER \* 118.85 (CTAF) 288.3  
 ASPEN DEP CON \* 123.8 288.3  
 DENVER CENTER 134.5 327.8  
 UNICOM 122.95

NOTE: ~~H~~PKN Back Course outbound is normal sensing.  
 NOTE: Take-off Runway 15 not authorized.  
 NOTE: Take-off Runway 33 3100-3 or 1000-2 with a minimum climb of 460' per NM to 14,000.  
 NOTE: 8179' MSL Tree 2447' from departure end of runway, 1379' left of centerline.



(Continued on next page)

NOTE: Chart not to scale.

SW-1, 15 FEB 2007 to 15 MAR 2007

(LINDZ.LINDZ) 04050  
 LINDZ FOUR DEPARTURE  
 SI-5889 (FAA)  
 ASPEN-PITKIN COUNTY/SARDY FIELD (ASE)  
 ASPEN, COLORADO

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| <input type="checkbox"/> First Officer    | last 90 days _____ hrs. | <input type="checkbox"/> commercial  | <input type="checkbox"/> ATP     | radar _____ yrs.             | non-radar _____ yrs.                   |
| <input type="checkbox"/> pilot flying     |                         | <input type="checkbox"/> instrument  | <input type="checkbox"/> CFI     | supervisory _____ yrs.       | military _____ yrs.                    |
| <input type="checkbox"/> pilot not flying |                         | <input type="checkbox"/> multiengine | <input type="checkbox"/> F/E     |                              |  |
| <input type="checkbox"/> Other Crewmember | time in type _____ hrs. | <input type="checkbox"/> _____       |                                  |                              |  |
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| AIRSPACE                                  |                         | WEATHER                              | LIGHT/VISIBILITY                 | ATC/ADVISORY SERV.           |  |

- Not yet implemented in the states
- Does not address the issue of injuries that patients may experience
- Alternative dispute resolution will be key

# Practice Guidelines

# Standards and Practice Parameters

## Guidelines Completed or in the Works:


- Obstetric Anesthesia (2006)
- Neuraxial Opioids Associated with Respiratory Depression
- Prevention and Management of Operating Room Fires
- Perioperative TEE (update)

# SPP (cont.)

- Anesthesia practice related to MRI
- Cancer pain (update)
- Preoperative fasting (update)


# Current Issues in Procedural Sedation

- Should drugs be limited?
- Should the settings be limited?
- Should the individuals be limited?
- What about the non-anesthesiologist physicians who want to practice anesthesia?



**ASA  
CREDENTIALING GUIDELINES FOR  
PRACTITIONERS  
WHO ARE NOT ANESTHESIA  
PROFESSIONALS TO  
ADMINISTER ANESTHETIC DRUGS TO  
ESTABLISH  
A LEVEL OF MODERATE SEDATION**  
(Approved by the House of Delegates on October 25, 2005)

- Left silent the issue of “deep sedation”
- Other ASA documents recognize deep sedation (Practice Guidelines for Sedation and Analgesia by Nonanesthesiologists outline the training and education required)
- Should ASA recommend credentialing guidelines for deep sedation?



**STATEMENT ON GRANTING PRIVILEGES TO  
NONANESTHESIOLOGIST  
PRACTITIONERS FOR PERSONALLY ADMINISTERING  
DEEP SEDATION  
OR SUPERVISING DEEP SEDATION BY INDIVIDUALS  
WHO  
ARE NOT ANESTHESIA PROFESSIONALS**

**(Approved by the ASA House of Delegates on October 18, 2006)**

Because of the significant risk that patients who receive deep sedation may enter a state of general anesthesia, privileges to administer deep sedation should be granted only to practitioners who are qualified to administer general anesthesia or to appropriately supervised anesthesia professionals.

# Aetna Controversy

- Sedation for GI procedures
- Selective modification of the Relative Value System
- Not helped by GI societies
- Many have misunderstood ASA's position
- Must negotiate your contracts!

# Other Activities

- Subspecialty societies
- Perioperative awareness registry
- Liability issues
- Practice management
- Occupational health
- Emergency preparedness
- ACE/SEE programs

# Health Care Reform

- Coming to a state near you
- Current delivery system is unsustainable
  - 'Crisis' of the uninsured
  - Crisis in financing
- Everything is on the table
- If we are not at the table, we will be on the menu

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