

HHS Confirms Billions of Dollars of Medicare Cost Savings Tied to ASCs

ASCA Cautions that Data Also Reveals Reimbursement Issues



NEWS



ALEXANDRIA, VA, April 17, 2014 — In a report released today, the U.S. Department of Health and Human Services (HHS) Office of the Inspector General (OIG) found that outpatient surgical procedures performed in ambulatory surgery centers have saved Medicare more than \$1 billion in each of the last several years—and have the potential for even greater savings in the future.

As a result of the cost-savings that ASCs offer, the report concludes, "...Medicare saved almost \$7 billion and beneficiaries saved an additional \$2 billion during CYs 2007 through 2011. Also, Medicare and beneficiaries could save an additional \$12 billion and \$3 billion, respectively, during CYs 2012 through 2017." Those estimates support similar findings made last year by researchers at the University of California-Berkeley Nicholas C. Petris Center on Health Care Markets and Consumer Welfare.

Responding to the OIG's findings, Ambulatory Surgery Center Association Chief Executive Officer William Prentice said, "Ambulatory surgery centers can save Medicare and its beneficiaries billions more than we currently do, but policymakers need to be mindful of how we maintain our high quality. ASC reimbursement under Medicare needs improvement, and any plan to adjust reimbursements to providers or shift volume to take advantage of the high quality and efficient care in ASCs must take that into consideration."

The full OIG report "Medicare and Beneficiaries Could Save Billions If CMS Reduces Hospital Outpatient Department Payment Rates for Ambulatory Surgical Center-Approved Procedures to Ambulatory Surgical Center Payment Rates" is available [here](#). The results of the University of California–Berkeley research are available [here](#).

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About ASCs: ASCs are an integral part of the health care system, providing critical access to surgical and diagnostic care, including preventive services. As essential Medicare providers of surgical and cancer screening services, ASCs perform more than 40 percent of Medicare colonoscopies. Learn more about this critical life-saving procedure [here](#).

About the Ambulatory Surgery Center Association (ASCA): ASCA is working to raise awareness of the important role that ASCs play in the US health care system and the high-quality, cost-effective care that ASCs provide. For more about ASCA, go to ascassociation.org.