



April 28, 2023

Dear Members of the Senate,

The Leapfrog Group, our Board of Directors, and members collectively comprise hundreds of the leading purchaser and employer organizations across the country. Health Transformation Alliance (HTA) is a cooperative owned by 60+ leading US employers with over 5 million plan members across the country. Together we are writing to encourage you to cosponsor S. 312, the Outpatient Surgery Quality and Access Act of 2023.

The Leapfrog Group was also created by large employers committed to improving the safety, quality, and affordability of health care, with meaningful metrics that inform consumer choice, and foster leaps forward in quality and safety. Leapfrog is one of the few organizations that both collects and publicly reports safety and quality data by facility, from hospitals and from ASCs at the national level. HTA was created by and for America's largest employers to identify and create opportunities for self-insured companies to provide better healthcare to employees, retirees, and their families. Our two organizations partner together with a common vision for the future of health care. Leapfrog is a voting member of HTA.

We support the bill because it offers an important opportunity to expand access to high-quality, cost-effective outpatient surgical and preventive care by promoting healthy market competition. The bill also ensures that the Centers for Medicare and Medicaid Services' (CMS) policy appropriately reflects the critical role ambulatory surgery centers (ASCs) now play in providing essential health care in their communities. For instance, throughout the pandemic, ASCs were a critical lifeline for patients who were unable to have procedures performed in hospitals and for those who are still concerned about visiting larger healthcare settings.

There are two aspects of the bill most important to employers and other purchasers. First, the bill makes it easier for consumers, including Medicare beneficiaries, to access information about the quality and safety of ASCs. This is important since none of us will send our loved ones for surgery without reassurance that the care will be top-notch. We are pleased the bill calls for consumer-friendly comparisons on quality metrics with all providers in the community, accessible on CMS Care Compare.

We encourage additional policies in the future to expand quality reporting by ASCs and to include ASCs in CMS value-based payment programs. We will work with the Ambulatory Surgery Center Association (ASCA) and ASC leaders who share those goals. Already many ASCs have demonstrated a strong commitment to patient safety and transparency by voluntarily participating in the Leapfrog ASC Survey, an annual national patient safety and quality survey that publicly reports performance by facility.

The second aspect of the bill most meaningful to purchasers is its potential to reduce health costs for CMS as well as for businesses and consumers. It is estimated that ASCs currently save Medicare \$7.34 billion each year, and this bill would not change the fact that ASC services are substantially lower-priced than hospitals for both CMS and purchasers. The bill would instead assure fairness in automatic percentage pricing adjustments CMS implements each year for all providers. Moreover, the bill merges ASCs with hospital outpatient surgical units for purposes of calculating neutrality in costs to the Medicare program. This removes unintended disincentives for ASCs to compete for market share. Combined with transparent, favorable quality and safety reporting, the lower-priced services offered by ASCs offer new opportunities for improved value.

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In sum, the Outpatient Surgery Quality and Access Act would expand competition for delivery of the highest quality, most cost-effective health care to communities across the country. It expands transparency, so consumers and purchasers can compare the value of services on both quality and cost before deciding where to seek elective services. That is why we ask for your leadership cosponsoring the Outpatient Surgery Quality and Access Act of 2023.

We are glad to provide more information or answer any questions. Thank you for considering support for this important bill.

Sincerely,



Leah Binder  
President and Chief Executive Officer  
The Leapfrog Group



Rob Andrews  
Chief Executive Officer  
The Health Transformation Alliance

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