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May 8, 2018

James E. Mathews, PhD
Executive Director
Medicare Payment Advisory Commission (MedPAC)
425 I Street, NW, Suite 701
Washington, DC 20001

Dear Dr. Mathews,

The American Society of Anesthesiologists<sup>®</sup> (ASA), on behalf of our over 52,000 members, appreciate the opportunity to submit comments regarding the April 5, 2018, presentation, "Applying the Commission's Principles for Measuring Quality: Hospital Quality Incentives." During this presentation Commission staff presented a proposal to 1) eliminate the Inpatient Quality Reporting Program (IQRP) and the Hospital-Acquired Condition Reduction Program (HACRP); and 2) to merge the Hospital Readmissions Reduction Program (HRRP) and the Hospital Value-based Purchasing Program (VBP) into a new program called the Hospital Value Incentive Program (HVIP). The proposed HVIP would consist of four measures weighted equally: readmissions, mortality, spending and the overall patient experience.

While ASA supports the Commission's efforts to reduce redundancy and enhance quality measurement across the Medicare program, we do have some initial concerns about this proposal as it may relate to the use of inpatient measure sets in the Merit-Based Incentive Payment System (MIPS). Starting in 2019, eligible clinicians who meet certain site of service thresholds in the inpatient setting will be able to use their hospital's VBP scores as a proxy for the MIPS Quality and Cost Performance Categories. This is referred to as facility-based scoring. As we have indicated in recent comments to the Centers for Medicare and Medicaid Services (CMS), ASA believes facility-based measures can have several benefits: aligning interests between eligible clinicians and the facility at which they work (i.e., joint accountability), reducing the reporting burden and providing a pathway towards more meaningful reporting of outcomes of team-based care for which there is shared accountability. In the current system, CMS is receiving data on the care of the same patient and episodes of care from two sources: the facility and the clinician. Through the implementation of facility-based measures, CMS will only receive this data once through a single source thereby providing data to the agency in a streamlined and efficient manner and reducing the reporting burden on clinicians as well as reducing the administrative burden on the agency to analyze potentially redundant data.

As you review the HVIP proposal, ASA urges MedPAC to consider the implication of this program on the facility-based scoring option of MIPS. Would facility-based scoring, which ASA believes has many benefits consistent with MedPAC's goals and priorities still be feasible under the proposed HVIP program? The Centers for Medicare and Medicaid Services (CMS) is currently expending efforts to design and implement this reporting option. Many stakeholders, including ASA, have provided input to CMS on this option. What impact will the implementation of a new inpatient hospital quality reporting option have on the resources

CMS and other stakeholders have expended on designing the facility-based scoring option of MIPS? ASA strongly believes these factors should be taken into consideration as you consider recommending a re-design of Medicare's inpatient hospital quality programs.

Thank you for your consideration of our comments. We would be very glad to follow up with you as necessary on any issues on which you need additional information or would like further discussion. Please contact Sharon Merrick, M.S., CCS-P, ASA Director of Payment and Practice Management or Matthew Popovich, Ph.D., ASA Director of Quality and Regulatory Affairs at (202) 289-2222.

Sincerely,

Tames Dorant

James D. Grant, M.D., M.B.A., FASA

President