Anesthesiology’s 33% Problem

**History, Status, and Next Steps**

**How we got here:**

Within ASA’s Committee on Economics, there have been four potential actions to address the continued undervaluation of anesthesia care, leading to a working group with a focus on compensation. Until anesthesia care is adequately covered by Medicare, potentially worsening the ongoing problem, market considerations, such as commercial payor rates, have been problematic.

- **2010:** ASA will continue to advocate for our members, with a 23% increase in payments based on the RBRVS system.
- **2005:** Increases gained through the five-year review process, no longer exist.
- **2000:** The RUC approved ASA’s proposed 23% increase.
- **1995:** RUC approved an insufficient 16% increase.
- **1992:** Commercial payor rates hovered around 85% of Medicare rates, potentially lower than payment rates for other specialties.
- **1991:** Anesthesia CF was equivalent to the 1991 rate. It’s currently 33% Problem Anesthesiology’s.

**Where we’re at now:**

- **2020:** MedPAC reported that the entire range of anesthesia services is paid by the RBRVS system.
- **2019:** A regression analysis, the ASA probed whether the 19 codes employed in 2000 are reasonable, prevailing, customary, and based on Medicare.
- **2018:** The RUC approved ASA’s proposal for a better comparison with other specialties.
- **2017:** The ASA Committee on Economics developed the RUC recommendations.
- **2016:** They have not kept pace with inflation and led to a shift to RBRVS. A 29% decrease in payments is equivalent to the 1991 rate.

**Looking forward:**

ASA will continue to advocate for more members, with a focus on compensation, to advocate for why anesthesia care is so critical. Anesthesiologists need to stand up and advocate for the work they do. Anesthesia’s base unit values were more undervalued than other specialties, leading to a greater risk of inflation. This ultimately diluted something ASA had considered for other specialties.

Any government payment bills are necessary to sustain anesthesia’s economic future.

### Comparison of Medicare and Commercial Conversion Factors (CF)

<table>
<thead>
<tr>
<th>Year</th>
<th>Medicare Payment Rates</th>
<th>Commercial Payor Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$36.77</td>
<td>$22.20</td>
</tr>
<tr>
<td>2008</td>
<td>$30.46</td>
<td>$19.97</td>
</tr>
<tr>
<td>2004</td>
<td>$22.20</td>
<td>$15.28</td>
</tr>
<tr>
<td>2000</td>
<td>$17.77</td>
<td>$13.68</td>
</tr>
</tbody>
</table>

### Values led to a 33% weighted increase

<table>
<thead>
<tr>
<th>Specialty</th>
<th>Other</th>
<th>Other</th>
<th>Medicare Physician Fee Schedule (MPFS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anesthesiology</td>
<td>$36.77</td>
<td>$22.20</td>
<td>$17.77</td>
</tr>
</tbody>
</table>

### Work Relative Values

- **2005:** Current payment rates for anesthesia services are not adequate, leading to a shift to RBRVS.
- **1995:** No inflation adjustment to the RBRVS system.

### Block Analysis

- **2012:** Grant study examined 85 practicing anesthesiologists. Included a survey of 85 practicing anesthesiologists.
- **1995:** The ASA Committee on Economics developed the RUC recommendations.

### Repeat the original study with a broader base of cross linkages

- **2015:** ASA conducted a study that expanded on Hsiao’s work by increasing the linkages.
- **1991:** Anesthesia CF was equivalent to the 1991 rate.