



When Seconds Count...
Physician Anesthesiologists Save Lives.™



Protect and Enhance Medicare Payments to Physician Anesthesiologists

Medicare payments for the services of physician anesthesiologists have long been marked by inequality and instability.

For physician anesthesiologists providing anesthesia services, the Medicare “33% problem” has been a persistent challenge. Medicare pays for anesthesia services at only 33% of commercial pay rates. In contrast, MedPAC reports that the average Medicare payments for other physician services are 80% of commercial pay rates. The Centers for Medicare and Medicaid Services’ (CMS) recent release of Medicare billing data found that physician anesthesiologists are one of the lowest paid medical specialties when ranked by Medicare allowed payment amounts per individual physician. Poor payments for anesthesia services have also been exacerbated by the flawed Medicare Sustainable Growth Rate (SGR) formula.

A separate challenge exists for physician anesthesiologists providing critically important pain care services to Medicare beneficiaries. Patient need for better pain control creates increased demand for services. Such demand can sometimes be misinterpreted by Medicare as the services being overvalued. The services can often be targeted for payment reductions. Recently, CMS implemented draconian cuts to interlaminar epidural procedures – a range of important pain care services for Medicare beneficiaries. The cuts were mandated by CMS despite a consensus review of the values concluding that cuts were not appropriate.

KEY POINTS:

- For anesthesia services, physician anesthesiologists, long recognized as the leaders in patient safety, have the lowest Medicare payment rate among all health professionals at only 33% of private payment rates.
- The recent release of Medicare billing data indicates that when ranked by Medicare payment allowed amounts per individual physician, anesthesiology is among the lowest (48th out of 50) of physician specialties.
- ASA commends Congress for its bipartisan and bicameral work to address the Medicare SGR formula.
- ASA strongly supports continued efforts to advance permanent repeal of the current SGR formula and a replacement with a new mechanism that brings equity and stability to Medicare physician payments and a mechanism for meaningful annual payment updates that at least recognize inflation.
- Physicians treating pain face massive CMS mandated payment cuts for key procedures.
- In response to the call for alternative payment and delivery models, ASA is leading efforts to develop a coordinated surgical care model known as the Perioperative Surgical Home model of care.

CONGRESSIONAL REQUEST:

- Continue bipartisan and bicameral efforts to permanently repeal the flawed SGR formula and implement a replacement that brings equity and stability to Medicare physician payments and includes a mechanism for meaningful annual updates that, at least, recognize inflation.
- Address the anesthesiology payment “33% problem.”
- Reverse draconian Medicare cuts to important pain care procedures.
- Support the Perioperative Surgical Home model of coordinated care.