



American College of Surgeons

Washington Office: 20 F Street, NW Suite 1000 • Washington, DC 20001 • 202-337-2701 • FAX 202-337-4271
e-mail: postmaster@facs.org ACS website: www.facs.org

Officers

President

L. D. Britt, MD, MPH, FACS
Norfolk, VA

President-Elect

Patricia J. Numann, MD, FACS, FRCS
Syracuse, NY

First Vice-President

Richard J. Finley, MD, FACS, FRCS
Vancouver, BC

Second Vice-President

Frederick L. Greene, MD, FACS
Charlotte, NC

First Vice-President-Elect

Robert R. Bahnsen, MD, FACS
Columbus, OH

Secretary

Courtney M. Townsend, Jr., MD, FACS
Galveston, TX

Treasurer

Andrew L. Warshaw, MD, FACS
Boston, MA

Executive Director

David B. Hoyt, MD, FACS
Chicago, IL

Chief Financial Officer

Gay L. Vincent, CPA
Chicago, IL

Board of Regents

Chair

Carlos A. Pellegrini, MD, FACS
Seattle, WA

Vice-Chair

Thomas V. Whalen, MD, FACS
Allentown, PA

H. Randolph Bailey, MD, FACS
Houston, TX

L. D. Britt, MD, MPH, FACS
Norfolk, VA

Bruce D. Browner, MD, FACS
Farmington, CT

Martin B. Camins, MD, FACS
New York, NY

Margaret M. Dunn, MD, FACS
Dayton, OH

Julie A. Freischlag, MD, FACS
Baltimore, MD

Barrett G. Haik, MD, FACS
Memphis, TN

Rene Lafreniere, MD, FACS, FRCS
Calgary, AB

Charles D. Mabry, MD, FACS
Pine Bluff, AR

Mark A. Malangoni, MD, FACS
Cleveland, OH

Robin S. McLeod, MD, FACS, FRCS
Toronto, ON

Raymond F. Morgan, MD, FACS
Charlottesville, VA

Leigh A. Neumayer, MD, FACS
Salt Lake City, UT

Karl C. Podratz, MD, FACS
Rochester, MN

J. David Richardson, MD, FACS
Louisville, KY

Valerie W. Rusch, MD, FACS
New York, NY

Marshall Z. Schwartz, MD, FACS
Philadelphia, PA

Howard M. Snyder III, MD, FACS
Philadelphia, PA

Mark C. Weissler, MD, FACS
Chapel Hill, NC

Michael J. Zinner, MD, FACS
Boston, MA

Board of Governors

Chair

Timothy C. Flynn, MD, FACS
Gainesville, FL

Vice-Chair

Henri R. Ford, MD, FACS
Los Angeles, CA

Secretary

Lena M. Napolitano, MD, FACS
Ann Arbor, MI

September 1, 2011

The Honorable Patty Murray
U.S. Senate
448 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Jeb Hensarling
U.S. House of Representatives
129 Cannon House Office Building
Washington, D.C. 20515

Dear Senator Murray and Representative Hensarling:

On behalf of the more than 75,000 members of the American College of Surgeons (ACS), I am writing to congratulate you on your selection as co-chairs of the Joint Select Committee on Deficit Reduction and applaud your commitment and willingness to serve in this capacity. The provisions outlined in the Budget Control Act illustrate the enormous fiscal challenges our country faces and the College stands ready to work with you and your colleagues to achieve these critical goals – particularly as they pertain to the health care delivery system.

The first step toward building a value based delivery system begins with leveraging the current strengths of proven physician-led quality programs. The College has helped establish a number of key quality programs, including the Commission on Cancer in 1922, the Committee on Trauma in 1950, the American College of Surgeons Oncology Group in 1998, the National Surgical Quality Improvement Program (NSQIP) in 2004, and the National Accreditation Program for Breast Centers and the Bariatric Surgery Center Network Accreditation Program, both in 2005.

The NSQIP provides the nation with a risk adjusted data collection that analyzes and reports surgical outcomes. These outcome reports focus attention at the local hospital level and drive improvements that benefit patients and save dollars. Now in over 400 hospitals, we have repeatedly demonstrated improvement in surgical site infections and preventing avoidable readmissions through reduced complications. A 2009 *Annals of Surgery* study found 82 percent of participating hospitals decreased complications and 66 percent decreased mortality rates. Each participating hospital prevented, on average, from 250 to 500 complications a year. Given that major surgical complications have been shown in a University of Michigan study to generate more than \$11,000 in extra costs on average, such a reduction in complications would not only improve outcomes and save lives, but greatly reduce costs. If NSQIP were expanded to the nation's more than 4,000 hospitals that perform surgery we could prevent millions of complications, and save thousands of lives and billions of dollars each year.

The College recognizes the current efforts to define meaningful use, transparency, and value based purchasing and believes NSQIP can provide buy-in at the surgeon and hospital level for these three aspects in health care because of the reliability, validity and integrity of our data. We promote the use of NSQIP in defining meaningful use for surgeons. The College also encourages the use of the National Quality Forum (NQF) measures of NSQIP results where appropriate for

Chicago Headquarters: 633 N Saint Clair St • Chicago, IL 60611-3211 • 312-202-5000 • FAX 312-202-5001

FOUNDED BY SURGEONS OF THE UNITED STATES AND CANADA, 1913

The American College of Surgeons Is an Equal Opportunity/Affirmative Action Employer



The Honorable Patty Murray and The Honorable Jeb Hensarling
September 1, 2011
Page 2

public reporting and transparency and stands ready to assist in adding to our local, regional and national learning networks for rapid performance improvement.

An additional critical step toward reforming the Medicare payment formula is to immediately eliminate the Sustainable Growth Rate (SGR) and set a realistic budget baseline for future Medicare payment updates. This baseline should allow for updates that fairly reflect the costs of providing quality health care, are sufficient to preserve the patient-physician relationship and ensure patients have continued access to the physician of their choice.

As you know, in an effort to restrain the run-away growth in health care expenditures, previous and current target systems used by the federal programs involved volume growth targets, the Medicare Volume Performance Standards (MVPS), and have also tied in medical economic index and indexing to the gross domestic product, the SGR. Unfortunately, unintended consequences have impacted patients, providers, purchasers and health plans. We currently face an unsustainable environment with proposed cuts which threaten federal programs and could lead to access concerns and major cost shifting to the private sector. A new solution must emerge.

The College suggests bringing forward the best contributions from the MVPS and SGR and merging those into recent efforts around a value basis for determining a federal health program growth rate. The value basis would be directly tied to the quality, safety and resource use incentives. Moving to a new growth rate will require closely tracking value and the national quality strategy matched to per capita costs as a corner stone in the framework. It is important to send a unifying message across the healthcare system that emphasizes value and not volume for clinical care.

The College strongly believes that improving quality and safety offers the best chance of transforming our health care system in a way that expands access and improves outcomes while slowing the accelerating cost curve. Quite simply, improving quality leads to fewer complications, and that translates into lower costs, better outcomes and greater access. With the right approaches, we can both improve the quality of patient care and, at the same time, reduce health care costs.

Ultimately, success will require collaboration from the broader surgical community; other providers, including hospitals; healthcare policy experts; and government officials and elected representatives. As you and your colleagues begin formulating a plan to reduce our nation's deficit, the College offers our proven quality programs as models of how we can reduce cost, prevent complications and, most importantly, improve quality.

Sincerely,

A handwritten signature in black ink that reads "David B. Hoyt".

David B. Hoyt, MD, FACS
Executive Director