



AMERICAN COLLEGE OF SURGEONS

Inspiring Quality:
Highest Standards, Better Outcomes

100+ years

Chicago Headquarters:

633 N. Saint Clair Street
Chicago, IL 60611-3211

Voice: 312-202-5000

Fax: 312-202-5001

E-mail: postmaster@facs.org

Washington Office:

20 F Street, NW Suite 1000
Washington, DC 20001

Voice: 202-337-2701

Fax: 202-337-4271

E-mail: ahp@facs.org

facs.org

OFFICERS

President

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

Immediate Past-President

J. David Richardson, MD, FACS
Louisville, KY

President-Elect

Barbara L. Bass, MD, FACS
Houston, TX

First Vice-President

Hilary A. Sanfey, MB, BCh, MHPE, FACS
Springfield, IL

First Vice-President-Elect

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

Second Vice-President

Mary C. McCarthy, MD, FACS
Dayton, OH

Second Vice-President-Elect

Basil A. Pruitt, Jr., MD, FACS, FCCM, MCCM
San Antonio, TX

Secretary

Edward E. Cornwell III, MD, FACS, FCCM
Washington, DC

Treasurer

William G. Cioffi, Jr., MD, FACS
Providence, RI

Executive Director

David B. Hoyt, MD, FACS
Chicago, IL

Chief Financial Officer

Gay L. Vincent, CPA
Chicago, IL

BOARD OF REGENTS

Chair

Michael J. Zinner, MD, FACS
Coral Gables, FL

Vice-Chair

Leigh A. Neumayer, MD, FACS
Tucson, AZ

Anthony Atala, MD, FACS
Winston-Salem, NC

John L. D. Atkinson, MD, FACS
Rochester, MN

James C. Denny III, MD, FACS
Alexandria, VA

Margaret M. Dunn, MD, FACS
Dayton, OH

Timothy J. Eberlein, MD, FACS
Saint Louis, MO

James K. Elsey, MD, FACS
Atlanta, GA

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

Gerald M. Fried, MD, FACS, FRCS
Montreal, QC

James W. Gigantelli, MD, FACS
Omaha, NE

B.J. Hancock, MD, FACS, FRCS
Winnipeg, MB

Enrique Hernandez, MD, FACS
Philadelphia, PA

Lenworth M. Jacobs, Jr., MD, FACS
Hartford, CT

L. Scott Levin, MD, FACS
Philadelphia, PA

Mark A. Malangoni, MD, FACS
Philadelphia, PA

Fabrizio Michelassi, MD, FACS
New York, NY

Linda G. Phillips, MD, FACS
Galveston, TX

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

Marshall Z. Schwartz, MD, FACS
Bryn Mawr, PA

Anton N. Sidawy, MD, FACS
Washington, DC

Beth H. Sutton, MD, FACS
Wichita Falls, TX

Steven D. Wexner, MD, FACS
Weston, FL

BOARD OF GOVERNORS

Chair

Diana L. Farmer, MD, FACS
Sacramento, CA

Vice-Chair

Steven C. Stain, MD, FACS
Albany, NY

Secretary

Susan K. Mosier, MD, MBA, FACS
Lawrence, KS

July 26, 2017

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
U.S. Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Senators McConnell and Schumer:

The American College of Surgeons (ACS) has deep concerns with provisions in H.R. 1628, the American Health Care Act (AHCA), and how they would impact access to surgical care. Accordingly, the ACS is unable to support the legislation in its current form and we urge the Senate to make significant changes through the amendment process as it is being considered on the Senate floor.

According to the Congressional Budget Office, the legislation would increase the number of people who are uninsured by 23 million. This runs directly contrary to the College's health care reform principles. The ACS believes strongly that legislation should not facilitate a reduction in the number of Americans currently insured.

The ACS stands by its four key principles on health care reform and feels strongly that any health care reform legislation should include provisions that provide for:

- **Quality and Safety** - The ACS believes that well-designed clinical comparative effectiveness research, physician quality data, appropriate public reporting, and realistic expectations relative to the use of health information technology (HIT) are cornerstones in efforts toward the achievement of the goals of quality and safety.
- **Patient Access to Surgical Care** - The ACS has a long-standing policy supporting universal access to affordable, high-quality surgical care delivered to all with skill and fidelity in a timely and appropriate manner.
- **Reduction of Health Care Costs** - The ACS' surgical quality programs improve surgical care and cut costs by helping to reduce inefficiencies and prevent complications through a continuous

FOUNDED BY SURGEONS OF THE UNITED STATES AND CANADA, 1913

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



AMERICAN COLLEGE OF SURGEONS

Inspiring Quality:

Highest Standards, Better Outcomes

100+years

improvement process. The ACS is also a strong supporter of and participant in the efforts toward quality-based payment reform, and voluntary participation in alternative payment models.

- **Medical Liability Reform** - The ACS believes our nation's medical liability system is broken and that it fails both patients and physicians. Because medical liability reform helps to reduce costs to the health care system and improves access to care, the ACS actively supports reforms based on safety, quality, and accountability.

The ACS is committed to continuing to partner with policy makers of both parties as the Senate considers amendments to the underlying legislation. The ACS urges the Senate to amend the AHCA to reflect ACS' health care reform principles and to address the following concerns related to access to surgical care:

Individual and Employer Mandate

The American College of Surgeons maintains that preserving the insurance reforms directed at pre-existing conditions and the prohibitions on annual and lifetime limits are critical components of any health reform legislation. We believe these protections have improved access to surgical services and we have significant concerns with providing states the option to waive caps on annual and lifetime limits as well as the ability to waive the prohibition on health status rating for those who have not maintained continuous coverage.

We believe that the bill's 30 percent penalty for lapses in health insurance coverage may not be an adequate enough incentive to maintain a stable small and individual insurance market. Specifically, we are concerned that the proposed elimination of the employer mandate to provide affordable coverage could lead to employers dropping insurance benefits or increasing costs on employees. Similarly, while the 30 percent penalty for lapses in coverage does provide an incentive to maintain coverage for those who already have it, it could also serve as a disincentive to enroll for those seeking coverage after even a brief lapse since the penalty is only assessed after coverage is again purchased. If younger, healthier individuals are not encouraged to seek out coverage, and even penalized when they do sign up, they may be less likely to seek coverage until they are already sick. Lack of health care coverage presents a significant barrier to both surgical services and preventive health care screenings.

Chicago Headquarters:

633 N. Saint Clair Street
Chicago, IL 60611-3211

Voice: 312-202-5000

Fax: 312-202-5001

E-mail: postmaster@facs.org

Washington Office:

20 F Street, NW Suite 1000
Washington, DC 20001

Voice: 202-337-2701

Fax: 202-337-4271

E-mail: ahp@facs.org

facs.org



AMERICAN COLLEGE OF SURGEONS

Inspiring Quality:

Highest Standards, Better Outcomes

100+years

Medicaid Expansion

The ACS has long supported universal access to affordable, high-quality, and safe surgical care, delivered in a timely and appropriate manner. Accordingly, we believe the expansion of Medicaid has served to provide coverage for millions of previously uninsured Americans. While the AHCA permits states to maintain Affordable Care Act (ACA) Medicaid expansion levels, the law would reduce federal funding levels to those enrolling in Medicaid after 2020, and to those whose Medicaid coverage lapses before that time. The law would also change state Medicaid payments to a per capital allotment. We are concerned with the Congressional Budget Office estimates that 14 million would no longer be covered by Medicaid due to provisions in the AHCA. Based on our principles, the ACS believes any further efforts directed at health care reform must not only ensure that these Americans do not lose coverage, but that the coverage they receive is adequate and provides for all necessary services.

Essential Health Benefits and Community Rating Waivers

The College believes that the Essential Health Benefits (EHBs) mandated under the Affordable Care Act are critical to protecting access to surgical care. We are concerned that allowing states the opportunity to waive any of these ten EHBs may have a significant negative consequence for patients. In addition, we are concerned that the language allowing states to opt out of community rating could have a negative impact on patients who have pre-existing conditions who subsequently may need surgical care.

Health Savings Accounts

Out of pocket health care expenses have continued to increase and have become a mounting burden on patients. We applaud the AHCA for lifting the caps on Health Saving Accounts and Flexible Spending Accounts contribution. The ACS believes such will provide substantive relief to patients to defray out of pocket expenses and incentivize them to make better informed, cost-conscious decisions about their healthcare.

Subsidies for Premiums and Out-of-Pocket Expenses

The Affordable Care Act created premium subsidies based on income. The AHCA would base premium subsidies on age. Additionally, the AHCA would serve to reduce subsidies from the current levels and would repeal the tax credits paid to individuals under the ACA which were purposed to defray the costs for deductibles and copayments. The ACS is concerned that this change could also affect access to surgical care. As result of the reduction in subsidies,

Chicago Headquarters:

633 N. Saint Clair Street
Chicago, IL 60611-3211

Voice: 312-202-5000

Fax: 312-202-5001

E-mail: postmaster@facs.org

Washington Office:

20 F Street, NW Suite 1000
Washington, DC 20001

Voice: 202-337-2701

Fax: 202-337-4271

E-mail: ahp@facs.org

facs.org



AMERICAN COLLEGE OF SURGEONS

Inspiring Quality:
Highest Standards, Better Outcomes

100+years

individuals may only be able to afford insurance with high deductibles or possibly, may not be able to afford any insurance at all. Either outcome would obviously have a negative impact on the ability of patients to access needed surgical care.

The American College of Surgeons remains committed to working with Congress toward needed reforms to our health care system in order to improve patient access to surgical care. We are hopeful the Senate will amend H.R. 1628 to address the concerns we have raised.

Sincerely,

Courtney M. Townsend, Jr., MD, FACS
ACS President

Michael J. Zinner, MD, FACS
ACS Chair, Board of Regents

David B. Hoyt, MD, FACS
ACS Executive Director

Marshall Z. Schwartz, MD, FACS
Chair, Health Policy Advocacy
Group

Chicago Headquarters:

633 N. Saint Clair Street
Chicago, IL 60611-3211

Voice: 312-202-5000

Fax: 312-202-5001

E-mail: postmaster@facs.org

Washington Office:

20 F Street, NW Suite 1000
Washington, DC 20001

Voice: 202-337-2701

Fax: 202-337-4271

E-mail: ahp@facs.org

facs.org