MEMORANDUM IN SUPPORT
S.2994 (Hannon)/A.6702 (Quart)

An act to amend the public health law, in relation to registration of office-based surgery facilities and payments for the use thereof

The American College of Surgeons (ACS) joins with the American College of Surgeons of New York State to support the passage of S.2994 (Hannon)/A.6702 (Quart). This legislation would require accredited office-based surgery (OBS) facilities to register and obtain an operating certificate from the Department of Health, and require health plans to reimburse these surgical facilities for covered procedures.

Since October 2003, ACS policy on office-based surgery guidelines (http://www.facs.org/fellows_info/statements/st-46.html) has included the patient safety principle that office-based surgery facilities should be accredited. New York enacted legislation in 2007 codifying this guideline, yet did not address the issue of health plans refusing to pay facility fees or other procedure charges when surgery was done in an office-based facility instead of an ambulatory surgery center or hospital.

Accredited OBS facilities meet national standards for patient safety and quality of surgical care, as well as provide surgical services at lower cost. Under current New York law, it is a disincentive for OBS facilities to provide these lower cost, high quality services and then be discriminated against by third party payers that will not reimburse them a facility fee. This situation encourages the movement of surgical procedures from lower cost to higher cost facilities, which is counterintuitive in an era of health care cost containment.

Enactment of S.2994 (Hannon)/A.6702 (Quart) will go a long way to addressing this problem, and will help to assure that surgical patients can continue to receive high quality, lower cost surgical care. The ACS support this legislation, and urges New York legislators to do the same.

About the American College of Surgeons

The American College of Surgeons is a scientific and educational organization of surgeons that was founded in 1913 to raise the standards of surgical practice and improve the care of the surgical patient. The College is dedicated to the ethical and competent practice of surgery. Its achievements have significantly influenced the course of scientific surgery in America and have established it as an important advocate for all surgical patients. The College has more than 79,000 members and is the largest organization of surgeons in the world. For more information, visit www.facs.org.