American Society of Anesthesiologists

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September 27, 2010

Donald S. Clark, Secretary
The Federal Trade Commission
600 Pennsylvania Ave., NW
Washington, DC 20580

Daniel R. Levinson, Inspector General
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Ave., SW
Washington, DC 20201

Donald M. Berwick, MD, Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
200 Independence Ave., SW, Rm. 445-G
Washington, DC 20201

Re: Accountable Care Workshop, October 5, 2010

Dear Secretary Clark, Dr. Berwick and Inspector Levinson:

The American Society of Anesthesiologists (ASA), an educational, research and scientific association representing over 45,000 members, asks the Federal Trade Commission (FTC), the Centers for Medicare and Medicaid Services (CMS) and the Office of the Inspector General (OIG) to address the following issues regarding Accountable Care Organizations (ACOs) during the October 5, 2010, ACO workshop:

1) With the increasing emphasis on employment – based models, as evidenced by the Patient Protection and Affordable Care Act (PPACA), what role will other models play in accountable care? While some systems have demonstrated the effectiveness of clinical integration to achieve quality care with some cost reduction, other systems (e.g., Grand Junction, Colorado IPA) have achieved similar results while retaining independent physician group practice. We strongly urge you to consider the fact that one particular ACO model may not apply to all geographic areas, clinical settings and/or practices.

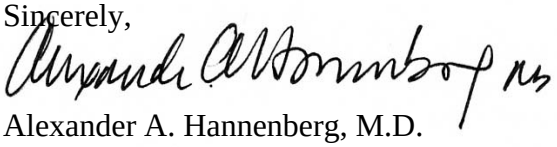
2) How will performance data, organizational model specification, information on savings distribution among various stakeholders and/or best practices be shared with other ACOs in the hopes of driving improvement? Further, this information should be provided in a timely fashion to afford other ACOs the opportunity to learn from and adapt to such information. Similarly, we believe that this information should be shared with entities and practices which are not participating, but interested in forming an ACO so that they can best organize. Information about the CMS Acute Care Episode (ACE) demonstration project have been minimal and not timely. Additional information on ACE and the interim results and experiences from participants could greatly enhance the formation of ACOs.

3) How will CMS establish the payments for an episode under ACOs? Will the increased administrative costs incurred by hospitals and physician groups to collect, collate and submit reports mandated by CMS be incorporated into the pricing structure? Since such reports are critical to determining the success and improvement opportunities for ACOs, we believe that CMS should consider the costs associated with producing these data in the payment system.

4) Accountable care and clinical integration models will require additional and new administrative capacities to properly form and ensure continuing compliance with new regulations. Currently, many administrative services provided by physicians to hospitals (e.g., medical director responsibilities, quality oversight) are subject to fraud and abuse scrutiny. Physicians are essential to the success of ACOs, but how will various administrative roles and their associated compensation be treated under ACOs?

We are pleased to have the opportunity to submit comments regarding ACOs and hope that the FTC, CMS and OIG will address them at the October 5, 2010, ACO workshop. If you have any questions, please do not hesitate to let us know.

Sincerely,



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President
American Society of Anesthesiologists