



## **REFORMING THE REFORM**

### **☑ ABOLISH THE INDEPENDENT PAYMENT ADVISORY BOARD (IPAB)**

Established by the Patient Protection and Affordable Care Act (ACA), the IPAB is a 15-member government board whose members are appointed by the president and which essentially has no meaningful Congressional oversight protections. The principal responsibility of this board is to cut Medicare spending. Proposed spending cuts automatically go into effect if Congress does not replace the recommendations with cuts of equal magnitude. Congress only has a very short time in which to pass its own proposal -- making it a virtual certainty that the board's recommendations would be adopted. The AANS and CNS strongly urge repeal of the IPAB because leaving Medicare payment decisions in the hands of an unelected, unaccountable governmental body with minimal congressional oversight will negatively affect timely access to quality neurosurgical care for our nation's senior citizens and those with disabilities.

### **☑ ALLEVIATE THE MEDICAL LIABILITY CRISIS**

The AANS and CNS support legislation to provide common sense, proven, comprehensive medical liability reform. Federal legislation modeled after the laws in California or Texas, which includes reasonable limits on non-economic damages, represents the "gold standard." The Congressional Budget Office has shown that comprehensive medical liability reform would save the federal government over \$50 billion over ten years. Other solutions should be adopted including: (1) applying the Federal Tort Claims Act to services mandated by the Emergency Medical Treatment and Labor Act; (2) liability protections for physicians who volunteer their services; (3) liability protections for physicians who follow practice guidelines set by their specialties; and (4) clarifying that the ACA did not create any new causes of action.

### **☑ EXPAND SUPPORT FOR QUALITY RESIDENT TRAINING & EDUCATION**

An appropriate supply of well-educated and trained physicians – both in specialty and primary care -- is an essential element to ensure access to quality healthcare services for all Americans. Unfortunately, the nation is facing a serious shortage of physicians, particularly due to the expansion of health insurance coverage in the ACA. And while medical schools in the U.S. have increased their enrollments, and additional medical and osteopathic schools have been established, the number of Medicare funded resident positions has been capped by law at 1996 levels. The solution for increasing physician numbers involves not only increasing medical student class size and the number of medical schools, but also increasing the number of funded residency positions. All payers of healthcare – including the federal government, the states and private payers – benefit from graduate medical education. To ensure an adequate supply of physicians, Congress should eliminate the current GME funding caps, expand funding for the full length of ACGME accredited training, maintain current financial support for children's hospital GME and encourage all other payers to contribute to GME programs.

### **☑ CONTINUE PROGRESS WITH MEDICAL INNOVATIONS**

America has a long tradition of excellence and innovation in patient care and neurosurgeons have been on the cutting edge of these advancements. However, American medical innovation is at serious risk. The AANS and CNS support the repeal of the medical device excise tax included in the ACA. This tax will impose over \$30 billion in new excise taxes beginning in 2013 and will adversely affect medical innovation and patient care. In addition to these unfair taxes, Medicare payment and coverage policy can stifle innovation if it is overly limiting. Approaches such as accountable care organizations, bundling and not paying for procedures in which new technology is used may seem cost effective in the short run, but if they prohibit the development of safer and better procedures that get patients back to health, work, and activity faster, they may be much more costly in the long run. The AANS and CNS urge Congress to be vigilant over any measures that would inappropriately increase the regulatory burden for medical device innovation, hurt America's competitive advantage in healthcare advancements, and delay or deny appropriate care for patients.

### **☑ PROVIDE FUNDING TO PRESERVE AND ENHANCE ACCESS TO TRAUMA & EMERGENCY CARE**

There are significant gaps in our trauma and emergency healthcare delivery systems, and trauma is the leading killer of Americans under the age of 44. The AANS and CNS strongly urge Congress to provide the full \$24 million for trauma and emergency care regionalization programs, which will support grants to states to improve critically needed state-wide trauma care systems and pilot projects to develop models for regionalizing emergency care. As recommended by the Institute of Medicine in its ground-breaking 2006 report, "the objective of regionalization is to improve patient outcomes by directing patients to facilities with optimal capabilities of any given type of illness or injury."

## MODERNIZING MEDICARE

### MOVING MEDICARE TO A DEFINED CONTRIBUTION SYSTEM

To modernize the program, the AANS and CNS believe that we need to move from Medicare's current defined benefit structure to a defined contribution model. Like the Federal Employee Health Benefit Program (FEHBP), this bipartisan model would pay Medicare beneficiaries a certain sum toward the purchase of an insurance policy that provides a defined set of services. Seniors would then pick from an array of health plan choices, allowing them to choose the plan that works best for them. It is essential that such a system incorporates consumer protections and that the premium subsidies are adequate to provide beneficiaries with appropriate coverage for their medical needs. To this end, the premium subsidy must be risk-adjusted so that the sickest beneficiaries are not unfairly penalized because of their health status and lower-income seniors should receive a higher federal subsidy than wealthier seniors. Finally, it is important that all current Medicare beneficiaries are allowed to remain in the existing Medicare program -- if they so choose -- and we believe that it makes sense to align the Medicare and Social Security eligibility ages.

### CHAMPION AN IMPROVED MEDICARE PHYSICIAN REIMBURSEMENT SYSTEM

Year after year, because of Medicare's flawed sustainable growth rate (SGR) formula, physicians face significant cuts in Medicare reimbursement. And time and time again, Congress intervenes with a short-term "fix" to prevent these steep cuts. Congress needs avoid band-aid solutions for fixing the physician payment system and once and for all replace the Medicare SGR formula with a stable mechanism for reimbursing physicians -- particularly during any transition period to a modernized Medicare program. Any new payment system must also allow patients and physicians to privately contract without penalty to either patient or physician, and must maintain a viable fee-for-service option in Medicare. Preserving this option for Medicare beneficiaries is especially critical for those patients seeking specialty care -- particularly neurosurgical services.

### RESTRUCTURE & STREAMLINE QUALITY IMPROVEMENT PROGRAMS

Organized neurosurgery is fully behind efforts to improve the quality of care that neurosurgeons deliver to our patients and we share with the public a sense of urgency and responsibility to meet the challenges of creating a sustainable healthcare system. And while Congress has taken the first steps towards implementing quality improvement programs, Medicare's Physician Quality Reporting System (PQRS), electronic health record (EHR) program and value-based payment modifier all need to be scrapped or drastically revised to better incorporate a workable and meaningful system for collecting and reporting clinical data. The current "one-size-fits-all" approach simply will not result in better patient outcomes.

As an alternative to the current approach, the AANS and CNS recommend that Congress adopt a *pay-for-participation* system under which data regarding physician quality are collected in a non-punitive environment and analyzed using accurate risk-adjustment mechanisms. Under such a system, physicians should receive performance feedback continually and in a timely manner. It is also essential that the determination of quality remain in the hands of the profession, rather than by the government or other third parties. To this end, neurosurgery has developed a centralized and nationally coordinated effort to allow individual neurosurgeons and practice groups to measure and analyze practice patterns and outcomes through a clinical registry, the National Neurosurgery Quality Outcomes Database (N<sup>2</sup>QOD).

The AANS and CNS support a non-punitive, staged approach, to implement EHR meaningful use, but this approach must take into account the current technological realities and the additional financial and administrative costs that will be incurred by physician participation. At present, the current EHR meaningful use standards appropriate for many specialists, who must "check-the-box" to meet Medicare's standards. In addition, EHR systems are very costly to implement and maintain -- often with little or no demonstrated benefit to patients. Implementing a program that allows for flexibility and for physicians to adopt objectives and measures that enhance and meet the needs of their practice will result in extensive use of technology to advance the country's health care system.

#### *For More Information Contact:*

Adrienne A. Roberts, Senior Manager for Legislative Affairs  
AANS/CNS Washington Office  
725 15<sup>th</sup> Street, N.W., Suite 500  
Washington, DC 20005  
Office: 202-446-2029  
Email: [aroberts@neurosurgery.org](mailto:aroberts@neurosurgery.org)

The American Association of Neurological Surgeons was founded in 1931 and is dedicated to advancing the specialty of neurological surgery in order to promote the highest quality of patient care. The Congress of Neurological Surgeons was founded in 1951 and exists to enhance health and improve lives worldwide through the advancement of education and scientific exchange. The AANS and CNS are the two largest scientific and educational associations for neurosurgical professionals in the world and represent over 4,000 practicing neurosurgeons in the United States. Neurosurgery is the surgical specialty concerned with the prevention, diagnosis, treatment and rehabilitation of disorders that affect the spinal column, spinal cord, brain, and peripheral nerves.