ASC QUALITY COLLABORATION

July 21, 2006

Mark McClellan, MD, PhD Administrator CMS 200 Independence Avenue Room 314G Washington, DC 20201

Subject: ASC Quality Collaboration

Dear Dr. McClellan,

As leaders from the ambulatory surgery center (ASC) industry, along with associations and related organizations with a focus on healthcare quality and safety, we are delighted to inform you that we have come together in a collaborative effort to identify specific measures for quality that are appropriate to ASCs.

The leadership group, which first convened in April, strongly endorses the vision that measures of quality that are appropriate to ASCs should be congruent with measures utilized for other settings including outpatient surgery. The development of these measures needs to involve a number of different stakeholders including for example, ASC clinical and administrative leaders, health policy researchers, CMS and other key federal and state governmental agencies.

The leadership group also recognizes that its efforts should take into account the work of and, as appropriate, the need to submit through the consensus process of the National Quality Forum (NQF) and other leadership projects (eg: Surgical Care Improvement Project (SCIP); Ambulatory Care Quality Alliance, Surgical Quality Alliance, Leap Frog) and to address the policy discussions on pay for performance; the interest of states in collecting data from ambulatory surgery centers; the interest of payors to give consumers information that allows them to make a choice of providers; and of course, the investments of individual ASCs in benchmarking information primarily for improvement goals.

An important step toward the goal of developing surgery measures was to convene expert workgroups. The goal of the expert workgroups is to develop recommended standard surgery measures for outpatient surgery. Initial workgroup meetings identified measures that are currently in use or under development by industry and are required or in development by quality organizations (eg: SCIP, JCAHO, AAAHC, NQF). Subsequent meetings are designed to move toward a consensus set of measures.

Several of us met with you earlier this year to express willingness to make availability of these quality measures a key element of the revamped ASC payment system that is expected to be implemented in January of 2008. As the ASC Quality Collaboration moves forward we seek your recognition for these leadership efforts and, more importantly, to enlist further support from CMS in achieving our goals. Dr David Hunt provided very helpful informal guidance as our collaboration began and we would like to encourage additional involvement from CMS to assure our objectives are aligned with CMS goals.

Please contact any of the leaders in the ASC data collaboration effort or our ASC Quality Collaboration coordinator Donna Slosburg at 727-867-0072 or donnajeanandjack@yahoo.com

Sincerely,

Craig Jeffries, Executive Director, AAASC Ellen K Murphy, Interim Executive Director AORN Cliff Adlerz, President, Symbion John Burke, President, AAAHC Kathy Bryant, President, FASA Joe Clarke, President, HEALTHSOUTH Tom Hall, President, Novamed Bill Jessee, MD, President and CEO MGMA Michael Kulczycki, Executive Director, Joint Commission Ken McDonald, President, AmSurg Tom Russell, Executive Director, ACS George Ruether, Director, AOA John Schario, Executive Vice President, Nueterra David Shapiro, MD, AAASC Donna Slosburg, BSN, LHRM, CASC, Coordinator Quality Collaboration Bill Wilcox, President, USPI

The ASC Quality Collaboration is dedicated to advancing high quality, physician led and patient centered care in ambulatory surgery centers.