Summary: Directs the Secretary to submit a plan to Congress by January 1, 2011 outlining how to effectively have move ambulatory surgical centers into a value-based purchasing payment system.

Status update: On July 1, 2011, the Centers Center for Medicare and Medicaid Services (CMS) issued a proposed rule that would update payment policies and rates for both hospital outpatient departments (HOPDs) and ambulatory surgical centers (ASCs) for calendar year (CY) 2012. As part of that proposed rule, CMS outlined its plans for quality reporting program for ASCs.

Next steps:
- October 14, 2010 – CMS held an open door forum regarding this provision.
- January 1, 2011 – Secretary must submit to Congress an implementation plan (deadline missed).
- April 2011 – Secretary submitted a report to Congress.
- July 1, 2011 – CMS issued proposed rule.
- August 30, 2011 – Comments due on proposed rule.
- November 1, 2011 – CMS final rule.
- January 1, 2012 – Changes for calendar year 2012 go into effect.

Additional information:
- Summary of changes in health reform affecting ambulatory surgical centers (from McDermott, Will & Emery) -- [http://www.mwe.com/index.cfm/fuseaction/publications.nldetail/object_id/d8474ecf-4a8a-4ec2-b9a0-ed1a34f73a81.cfm](http://www.mwe.com/index.cfm/fuseaction/publications.nldetail/object_id/d8474ecf-4a8a-4ec2-b9a0-ed1a34f73a81.cfm)
Long summary:
Sec. 3006. Plans for a Value-Based purchasing program for skilled nursing facilities, home health agencies and ambulatory surgical centers (as modified by sec. 10301).
Secretary must submit to Congress a Medicare value-based purchasing implementation plan for ambulatory surgical centers by January 1, 2011. Each plan is to include consideration of several specified issues involving measure development and selection (including coordination with the requirements of sections 1890 and 1890(a) to the extent feasible), reporting and validation of data, setting performance thresholds, the structure and financing of payment adjustments, and public reporting. Secretary must consult with relevant stakeholders and to consider experiences with demonstrations that are relevant to value-based purchasing in each setting.

Summary of the Proposed Regulations:
CMS also is proposing to implement a quality reporting program for ASCs by proposing eight quality measures for reporting beginning in CY 2012 for the CY 2014 payment determination. The proposed measures include seven outcome and surgical infection control measures and one healthcare associated infection measure reported through the National Healthcare Safety Network. CMS also is proposing to add two structural measures for reporting in CY 2013 for the CY 2015 payment determination – one for safe surgery checklist use, and one for ASC facility volume data on selected ASC surgical procedures. CMS also is proposing to add one measure on influenza vaccination coverage among healthcare personnel for reporting beginning in CY 2013 for the CY 2016 payment determination.

Legislative text:
SEC. 3006. PLANS FOR VALUE-BASED PURCHASING PROGRAMS FOR SKILLED NURSING FACILITIES, HOME HEALTH AGENCIES, AND AMBULATORY SURGICAL CENTERS (AS MODIFIED BY SEC. 10301).
(f) AMBULATORY SURGICAL CENTERS.—
(1) IN GENERAL.—The Secretary shall develop a plan to implement a value-based purchasing program for payments under the Medicare program under title XVIII of the Social Security Act for ambulatory surgical centers (as described in section 1833(i) of the Social Security Act (42 U.S.C. 1395l(i))).
(2) DETAILS.—In developing the plan under paragraph (1), the Secretary shall consider the following issues:
(A) The ongoing development, selection, and modification process for measures (including under section 1890 of the Social Security Act (42 U.S.C. 1395aaa) and section 1890A of such Act, as added by section 3014), to the extent feasible and practicable, of all dimensions of quality and efficiency in ambulatory surgical centers.
(B) The reporting, collection, and validation of quality data.
(C) The structure of value-based payment adjustments, including the determination of thresholds or improvements in quality that would substantiate a payment adjustment, the size of such payments, and the sources of funding for the value-based bonus payments.
(D) Methods for the public disclosure of information on the performance of ambulatory surgical centers.
(E) Any other issues determined appropriate by the Secretary.
(3) CONSULTATION.—In developing the plan under paragraph (1), the Secretary shall—
(A) consult with relevant affected parties; and
(B) consider experience with such demonstrations that the Secretary determines are relevant to the value-based purchasing program described in paragraph (1).
(4) REPORT TO CONGRESS.—Not later than January 1, 2011, the Secretary shall submit to Congress a report containing the plan developed under paragraph (1).