American Society of Anesthesiologists™

Improve Rural Health Care Access

Update the Anesthesia Rural Pass-Through Program

Many states face ongoing challenges in assuring access to medical care services for their citizens living in rural areas. Insufficient Medicare payments and low patient volume have made it particularly difficult for many rural facilities to attract and retain qualified health care providers. In response to these challenges, Congress has enacted a variety of incentive programs to encourage providers to practice in rural areas.

One such program is the anesthesia rural "pass-through" program – a program created as an incentive for anesthesia providers to practice in small rural hospitals. Under the "pass-through" program, eligible hospitals may use reasonable-costs based Part A payments in lieu of the conventional Part B payments as a rural practice inducement for non-physician anesthesia providers such as anesthesiologist assistants (a type of physician assistant) and nurse anesthetists to practice in small, low volume rural hospitals. Under the Centers for Medicare and Medicaid Services (CMS) current interpretation of the current "pass-through" program, eligible small rural hospitals are not permitted to use the "pass-through" funds to hire physician anesthesiologists. Changes are necessary to expand rural access to the services of physician anesthesiologists.

Congressman Emanuel Cleaver (D-MO-05) and Congressman Jason Smith (R-MO-08) introduced the bipartisan Medicare Access to Rural Anesthesiology Act which would reform the program and allow rural hospitals to use already available "pass-through" funds to employ or contract with all types of anesthesia providers – physician anesthesiologists, as well as nurse anesthetists and anesthesiologist assistants. ASA strongly supports this legislation.

Key Points:

- Low Medicare Part B anesthesia payments and low patient volume in rural areas make it difficult for rural hospitals to retain anesthesia providers.
- Current law allows some rural hospitals to use reasonable-cost Medicare Part A "pass-through" payments to employ or contract with non-physician anesthesia providers. According to CMS, the "pass-through" arrangement cannot be used for physician anesthesiologists.
- The American Society of Anesthesiologists (ASA), through formal comment, has requested that CMS permit rural hospitals to use the rural pass-through arrangement for physician anesthesiologists, as well as the other providers. CMS responded that it cannot permit hospitals to use the pass-through arrangement for physician services.
- Extending the pass-through arrangement to physician anesthesiologists allows eligible rural hospitals to utilize the rural incentive payment for all types of anesthesia providers.
- In rural hospitals, there is an acknowledged shortfall of physician health care providers. By extending the pass-through, rural hospitals could more readily recruit and retain physicians to provide anesthesia services in rural areas.

REQUEST:

Please cosponsor and pass the Medicare Access to Rural Anesthesiology Act, legislation that would extend rural hospitals' use of Medicare's pass-through arrangement to physician anesthesiologists.

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