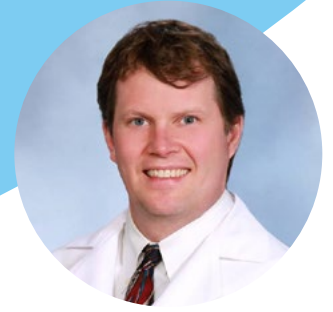


Running Harder to Stay in the Same Place

By David Smail, M.D., FACS



About thirty minutes' drive northeast of Boston sits Beverly, Massachusetts, a city that's been called the birthplace of both the American Industrial Revolution as well as the American Navy.

Home to 42,000 people, Beverly is where Dr. David Smail—a veteran who attended medical school on a military scholarship, later serving in army hospitals and on an aircraft carrier—has lived and practiced as a surgeon for the last 15 years; it's where he and his wife have raised their three daughters; it's where Dr. Smail has been stopped on a walk by a breast-cancer survivor who wanted to say “thank you”; it's where he took medical ICU shifts when COVID-19 hit.

Beverly is also where Dr. Smail would like to practice medicine until he retires. Yet he might not get to realize that dream because of the increasingly unsustainable financial outlook he—like thousands of other surgeons nationwide—faces due to impending Medicare cuts.

Running a surgical practice is the same as running a small business, and these practices have high fixed costs with a great deal of overhead. They must invest in new equipment,

employ highly trained staff, and rent facilities to perform complex procedures. The expenses of running a surgical practice climb between one percent and four percent annually. In order to prioritize his staff and invest in his patients, Dr. Smail hasn't given himself a cost of living raise in a decade. As Dr. Smail describes it, he's “running faster to stay in the same place.”

Despite these rising costs, Medicare either holds the reimbursement rates doctors receive or increases it a fraction of a percent. That means, in many instances, Dr. Smail earns less money performing a procedure in 2020 than he did performing the exact same procedure in 2010.

A laparoscopic cholecystectomy, for example, is a procedure to remove a gallbladder that takes Dr. Smail anywhere from 90 minutes to three hours. It's an operation where one mistake—particularly affecting the liver's blood supply—can have permanent consequences. For that procedure today, Dr. Smail is reimbursed by Medicare or Medicaid a total of around \$700.

And in 2021, surgical reimbursements are set to be cut by as much as 7%, according to new rates set by the

Centers for Medicare and Medicaid Services (CMS). The result is that Dr. Smail's financial pressures—intense already—are set to intensify even further and verge on being unsustainable.

Those costs will be borne by Dr. Smail and the three other surgeons with whom he works, who perform collectively roughly 2,000 surgeries in an average year; they will be felt by the physician's assistant and nurse practitioner they employ; and should the practice close down, the entire community of Beverly will feel the cuts.

The Surgical Care Coalition has formed to stop these cuts from taking effect because they will hurt patients' access to quality care. To prevent these cuts and preserve care for patients, the SCC wants Congress to waive Medicare's budget neutrality requirements, which will ensure Medicare patients continue to have the best access—to the best care—when they need it and where they need it.