



October 3, 2008

The Honorable Jason Altmire
United States House of Representatives
1419 Longworth House Office Building
Washington, DC 20515

Dear Congressman Altmire,

Congratulations on the introduction of the "Quality First Act" (H.R. 7067). This legislation is much needed to develop a sound process for Medicare, and eventually the rest of our nation's health care system, to recognize and reward efficient, quality health care. We truly appreciate your leadership in championing this effort in Congress.

NBCH and its sixty member employer coalitions have a long history of value-based purchasing of health care. We firmly believe that health care reform through value-based purchasing is the most thoughtful, prospective way to control costs, expand accessibility and improve quality and care efficiency. In this regard, we rely on the leadership and direction provided by Medicare and other similarly-focused public and private-sector programs. We rely on this to provide direction regarding health care data collection and reporting, how to provide comparative information to consumers and purchasers about the most efficient and effective health care providers, as well as giving useful information to providers that they truly can use to identify opportunities to contain costs and improve the quality of care they deliver.

In that regard, one of the primary objectives of H.R.7067, which is to provide for a consistent and standardized program of quality measurement and reporting within Medicare and to use that information for performance-based payment for inpatient hospital services, is an effective way to strengthen value-based purchasing within Medicare. It also sets an important precedent and will provide consistent reliable information to all purchasers, providers and consumers throughout the nation. I know that NBCH's community-based coalitions need this data desperately to support their local quality improvement efforts.

In terms of specific provisions, we welcome the language on quality measurement, particularly that the measures must be evidence-based, consensus-based, statistically valid, and most importantly, endorsed by the National Quality Forum (NQF) and the Hospital Quality Alliance. NBCH is involved with both of these fine organization and we feel that both organizations are vital in bringing consistency to the measurement development and implementation process. We also support the bill's language which provides financial support to NQF. However, we also believe strong government support of evidence-based medicine, both programmatically and financially, is a vitally important component of value-based purchasing and should be considered as an addition to a future version of this legislation.

The incremental performance-based reward and payment system outlined in the bill is quite solid, namely because it does not reward for simply reporting on measures but takes a broader look at the provider's current level of performance, as well as how much improvement has been made. This creates an incentive for continuous improvement. We also are pleased that the payment program must be established in a budget-neutral manner.

One final point, we believe it is important that the measurement, reporting, performance and payment goals of this bill are completely consistent with what Medicare currently is reporting on through HQA and HospitalCompare. As you well know, it could be difficult to require the hospitals to submit different data points than they already are submitting to measurement reporting organizations; such is the Institute for Healthcare Improvement, Joint Commission, and the Leapfrog Group. As you may know, many hospitals already are concerned about the duplication, complexity and burden of reporting efforts regarding the multiple reporting requests from the big national accreditation organizations, as well as requests for performance data from individual health plans. Again, consistency and national standardization in terms of hospital reporting and measurement is essential to the validity and compliance of national value-based purchasing and pay for performance initiatives.

Again, thank you for your leadership in establishing a sound path toward value-based purchasing in Medicare. Please feel free to contact me directly at awebber@nbch.org or 202-775-9300 if you have any questions regarding NBCH's endorsement of H.R. 7067.

Sincerely,

Andrew Webber
President and Chief Executive Officer
National Business Coalition on Health