



January 14, 2009

*Individually Addressed
to Members of Congress
and the Obama-Biden Administration
Washington, DC 200XX*

Dear _____:

There is broad agreement that two critical elements of any comprehensive national strategy for improving healthcare quality and affordability are (1) measuring and publishing data on the quality and efficiency of healthcare providers, and (2) using those data to help providers improve care and help consumers select high-quality, efficient providers. Our organizations and our members have been leaders in putting these elements in place across the country, working at the national level as well as the community, state, and multi-state levels (which we describe for simplicity as “regional.”)

We are writing to ask for your support for legislation and administrative actions to help these regional efforts be as successful as possible. There are three critical needs which must be addressed this year: (1) the ability to include Medicare data in regional quality reporting initiatives; (2) authorization for Medicare participation in regional payment and delivery system reform initiatives; and (3) funding to support regional initiatives that promote greater accountability and faster improvement in the quality of American health care.

1. Use of Medicare Data for Regional Public Reporting on Quality and Value.

Many of our member organizations and partners – Regional Healthcare Collaboratives, Business Health Coalitions, state-based consumer advocates and Quality Improvement Organizations – currently participate in, manage, or support efforts to assemble data on the quality of the care provided by individual hospitals and physician practices in their regions. They then disseminate the results to the public and all healthcare providers as a community service to help providers improve the overall quality and value of care and to help consumers select the highest-quality providers. Unfortunately, these reports cannot provide a complete picture of the quality of health care, particularly for senior citizens, because current restrictions in federal law prohibit the use of Medicare claims data by regional reporting initiatives even though they have well-established systems for protecting the confidentiality of patients and providers. The restrictions in current law exceed those governing private third party payers and state Medicaid programs, which in many regions are sharing their claims data to support these public reporting programs. We urge that regional reporting programs be given access to Medicare claims data and permission to publicly share standardized measures of the cost and quality performance of providers and practitioners based on those data for non-commercial uses. In light of the extensive experience our members have had in using private health plan data for these purposes, we would be happy to help develop appropriate standards for the release of these data to ensure patient level data are protected from public release, and to ensure that only valid and reliable measures on providers are published using transparent methodologies.

2. Medicare Participation in Regionally-Defined Payment and Delivery System Reforms.

Obtaining Medicare data is necessary for the success of regional quality improvement efforts, but it is not sufficient. A major cause of both the cost and quality problems in health care today is that payment systems reward providers for delivering more services and penalize them for providing better-quality services and improving health. As a result, many regional organizations are working to design reforms to health care payment and delivery systems and to encourage the payers in their region to implement those reforms. However, since Medicare is often one of the largest payers in a region, it is very difficult for health care providers to improve the way they deliver care if private payers improve their payment systems but Medicare does not. Although CMS's current payment reform demonstrations are laudable and should continue, CMS also needs to participate in regionally-defined payment and delivery system reform projects that can present a clear business case for controlling costs as well as improving quality.

3. Funding for Regional Quality Measurement and Improvement Initiatives.

Although improved public reporting and reforms to payment and delivery systems hold significant promise for controlling health care costs and improving quality, the regional organizations that develop and implement these initiatives struggle to obtain the funding needed to support their programs and operations. HHS has recognized the importance of these regional approaches to transparency and quality improvement by chartering twenty-four such efforts as "Chartered Value Exchanges" or CVEs. Yet these regional organizations receive no direct federal funding for their important transformative work. We urge that federal funding be provided to regional healthcare collaboratives, through the Agency for Healthcare Research and Quality (AHRQ) or other agencies, to support their activities to improve cost and quality, such as generating cost and quality data, publishing those data, using the data to work with providers and practitioners to improve care, and more generally encouraging reforms to payment and delivery systems. We also urge that this funding not come at the expense of the currently inadequate pool of federal funding that supports quality measurement, public reporting, and improvement. We believe that additional funding for regional quality reporting and improvement programs can be fully offset through reductions in costs for Medicare and private health insurance facilitated by such programs.

We would appreciate your support for these three important actions. We would be happy to meet with you or a member of your staff to explain these issues in more detail or provide any additional information that you would find helpful.

Thank you very much for your consideration.

Sincerely,



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Executive Vice President
The American Health Quality Association



Harold Miller
President and CEO
Network for Regional Healthcare Improvement



Andrew H. Webber
President and CEO
National Business Coalition on Health



Debra L. Ness
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