

# STAND FOR QUALITY

*in Health Care*

The Honorable Joe Pitts  
Chairman  
Committee on Energy and Commerce  
Subcommittee on Health  
2125 Rayburn House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Gene Green  
Ranking Member  
Committee on Energy and Commerce  
Subcommittee on Health  
U.S. House of Representatives  
2322A Rayburn House Office Building  
Washington, D.C. 20515

January 21, 2015

Dear Chairman Pitts and Ranking Member Green:

Stand For Quality (SFQ), a coalition of diverse private health care organizations, including physicians, nurses, hospitals, payers and consumers, commends the Committee on Energy and Commerce for its continued focus on Medicare payment reform and permanent repeal of the Medicare Sustainable Growth Rate (SGR). SFQ strongly supports repealing the Medicare SGR and transitioning to a payment system that bases physician reimbursement on the quality of care provided, thereby ensuring greater value for our health care dollars. Given that the private sector often mirrors Medicare's payment structure, creating a value-driven payment system in Medicare could also have positive implications for the rest of the health care system.

We commend the Committee's intent to move Medicare physician reimbursement away from the volume-based fee-for-service model and towards a payment system that rewards quality. Successful reform, however, will require engagement and buy-in from a broad range of health care stakeholders, including consumers. It is therefore critical that the Committee not only consider diverse viewpoints during the policymaking process; the Committee must also ensure that continued multi-stakeholder participation is preserved in and supported by the accountability framework that replaces the Medicare SGR.

Specifically, we strongly encourage the Committee to ensure that final legislation to repeal the Medicare SGR and replace it with a merit-based incentive payment system explicitly provides for multi-stakeholder input into the quality measures used to measure the performance of participating Medicare providers. Indeed, quality measurement in final SGR reform legislation must actively engage not just those who deliver the care, but also those who receive care and pay for care, as well as other stakeholders.

Quality measurement and reporting is a foundational building block for improving the quality and value of health care in the United States: we cannot improve what we do not measure. Measuring and reporting on health care quality sheds light both on best practices and on what needs improving. Increased application of quality measurement and reporting across health care settings has already led to improved

health outcomes and lowered costs. For example, we have seen decreases in the rates of health care acquired conditions, such as Central Line Blood Stream Infections. Central Line Blood Stream Infections have declined in hospital Intensive Care Units, and this measure is now being expanded to all areas of the hospital. Another example of a high-impact quality measure is measuring early elective inductions: reducing elective early inductions before 39 weeks gestation has resulted in better health outcomes for women and newborns and generated significant cost savings. Indeed, reports issued by the U.S. Department of Health and Human Services show that quality measurement, reporting, and improvement initiatives have resulted in reductions in adverse drug events, falls, infections, and other forms of hospital-induced harm, preventing thousands of deaths in hospitals and patient injuries.<sup>1</sup> Quality measurement is most effective when it is both informed by and accepted by all stakeholders in health care delivery: those who provide health care services, those who receive them, and those who pay for care.

Ensuring multi-stakeholder participation in the selection and application of quality measures is critical. Processes that facilitate multi-stakeholder participation, such as quality measure endorsement and the Measures Application Partnership (MAP) pre-rulemaking advisory body, help promote utilization of high-quality measures, alignment of measures across public and private sectors, and broader use by payers and consumers. Moreover, the endorsement and MAP processes facilitate transparency and provide consumers with critical opportunities to ensure that their perspectives are heard by providers and the health care system that is intended to meet their needs. Absent the endorsement and MAP processes, consumers have limited ability to advocate for the measures and quality information that is most useful to them and helps them make better decisions about their health and health care.

In final legislation to repeal the Medicare SGR and replace it with a merit-based incentive payment system, we hope to see strong emphasis on the use and reporting of multi-stakeholder endorsed measures and a continued commitment to utilizing the MAP pre-rulemaking function in the development of quality measure sets for participating Medicare providers. Ensuring that these processes are able to function at their highest potential also requires sustained federal investment. To this end, we request sustained funding for a consensus-based entity responsible for, amongst other activities, convening the multi-stakeholder endorsement and MAP processes.

Thank you for your consideration. We look forward to partnering with you to transition Medicare to value-based payment models that support delivery of high-quality, patient-centered care and promote improved transparency and accountability in our nation's health care system.

Sincerely,



Charles N. Kahn III  
SFQ Co-Chair  
President & CEO  
Federation of American Hospitals



Debra Ness  
SFQ Co-Chair  
President  
National Partnership for Women & Families

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<sup>1</sup> U.S. Department of Health and Human Services, "New HHS Data Shows Major Strides Made in Patient Safety, Leading to Improved Care and Savings." (May 2014) Available at <http://innovation.cms.gov/Files/reports/patient-safety-results.pdf>.