



Legislative Update

Care Transitions Learning Forum
July 23, 2009

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Objectives

- Overview of the process of writing legislation
- Current status of bills proposing Medicare transitional care benefits
- Other important pending legislation of relevance to transitional care
- Possible future opportunities for QIOs


Origin of the Medicare Care Transitions Program Act of 2009 – Senator Michael Bennet

- Call for ideas around transitional care improvement
April 11, 2009
- Visit with Senate staffers and Colorado stakeholders April 16, 2009
- Sample language and many revisions for about 2 weeks
- Introduction of SB 1009 May 4, 2009
- Seemingly endless further negotiations..



Rohini Ravindran, MA

- Current Health Policy Advisor for Senator Michael Bennet of Colorado.
- Former health care aide/advisor for Senator Debbie Stabenow of Michigan
- Extensive familiarity with Medicare and Medicaid policy
- Led crafting of the SB 1009
- Led incorporation of the bill into the SFC package

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- Overview of the process of writing a bill
 - Where do ideas come from
 - What is the role of the Congressional Budget Office
 - The Bennet Bill
 - Current status
 - The Blumenauer Bill
 - Relationship to the Bennet bill
 - Current status



David Schulke

- Extensive bipartisan experience writing legislation
 - Medicare hospital quality oversight reform
 - Beneficiary complaint provision
 - OBRA 1987 nursing home reforme
 - Medicare Catastrophic Coverage Act of 1988
 - OBRA 1990 Medicaid drug rebate
 - 1993 Federal quality report cards
- White House Health Reform Task Force (1994)
- American Pharmacists Association
- American Health Quality Association 1998 -

Health Reform Legislation: Opportunities to Improve Care Transitions

David Schulke
Executive Vice President
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Legislation – Overview of Status

- House bill, HR 3200 (mark up completed in 2 of 3 committees)
- Senate HELP Committee bill (mark up completed)
- Senate Finance bill (not released)
- Senate will combine the HELP and SFC bills before sending to the floor for a vote.
- Then must conference with House.

House bill: Reducing Readmissions

- Section 1151, “Reducing Potentially Preventable Rehospitalizations”
- Imposes financial penalties on hospitals with high rates of readmissions in 3 conditions (to be identified from high volume or cost, with NQF measures) – later more conditions added.
- No technical assistance is provided to hospitals.
- Very few hospitals serving disproportionate share of low income individuals will get some funds to pay for a list of government approved improvement initiatives.

House Bill: Accountable Care Organizations

- Section 1301, “Accountable Care Organization (ACO) Pilot Program”
- Permits groups of physicians and related providers to set up ACOs that could share savings they create in by improving quality.
- ACOs can be permitted to continue on if either:
 - Increase quality while holding costs steady
 - Reduce costs while holding quality steady
- The pilot program could be extended nationally by the HHS Secretary without further legislation if the pilot is successful.
- Presumably any ACO can include a QIO in their ACO and pay for their services out of the savings they achieve.

House Bill: Technical Assistance

- Section 2401, “Implementation of Best Practices in the Delivery of Health Care.”
- Creates a Center for Quality Improvement at the Agency for Healthcare Research and Quality to focus on quality improvement.
- The center will prioritize quality improvement activities, identify existing best practices, develop innovative new practices, evaluate these practices.
- Center will give grants to “qualified entities” to assist providers in implementing best practices.
- Most QIOs meet the qualifications to compete to serve as “qualified entities.”

House Bill: Medical Home Pilot

- Section 1302 establishes a 5-year, \$1.6 billion pilot program to “assess the feasibility and advisability” of paying qualified patient-centered medical homes.
- Role is “coordinate the care provided to a beneficiary by a team of individuals at the practice level across office, institutional and home settings led by a primary care or principal care physician or nurse practitioner.”
- Testing two models:
 - Independent Patient-centered Medical Home Model: “targeted at the top half of high-need Medicare beneficiaries with multiple chronic diseases;”
 - Community-based Medical Home Model: “targeted at a broader population of Medicare beneficiaries with chronic diseases and allows for State-based or non-profit entities to provide care-management supervised by a beneficiary designated primary care provider.”

Senate HELP Bill: Extension Centers

- The HELP bill includes two kinds of “extension programs” to facilitate quality improvement.
- Subtitle B, Section 211 establishes a Patient Safety Research Center in AHRQ, and provides funding for local technical assistance program for health care providers.
- QIOs can compete for grants to serve as TA providers.
- Subtitle B, Section 216 requires hospitals to report readmission rates.
- AHRQ will create a program to use PSOs to provide assistance to hospitals with high-readmission rates (75th percentile or above).
- High readmission rate hospitals must report preventable readmissions, and work with “local patient safety organizations” to improve their care transition practices.
- The House bill only penalizes high-readmission rate hospitals, while Senate Finance also would provide technical assistance, so this is key difference.
- Subtitle D, Section 455 creates Primary Care Extension Centers to provide technical assistance to primary care providers about evidence-based therapies, preventive medicine, health promotion, chronic disease management, and mental health.
- AHRQ will fund state “hubs” and local Health Extension Agents to assist primary care practices redesign clinical processes.
- QIOs can also compete to serve as Primary Care Extension Centers.

Senate Finance Bill

Care Transitions—cf Rohini Ravindran talk—from Bennet bill (S 1009).

- Funds pilot hospital-community combined technical assistance efforts for hospitals (75th percentile or above in readmission rates).
- QIOs eligible to join hospitals in applications for technical assistance funding.
- Technical assistance not scored as producing savings – only the financial incentives are believed to make a difference.
- In December policy options book, CBO scores the financial incentives for hospitals with readmission rates at 75th percentile and above as producing \$8 billion in savings.

Innovations provision likely to include technical assistance for hospitals as part of value based purchasing title.

- Run by CMS, not AHRQ
- Targets certain conditions (likely AMI, HF, CAP).