Quality Measurement Development

Summary: Authorizes $75 million over 5 years for the development of quality measures at the Agency for Healthcare Research and Quality (AHRQ) and the Centers for Medicare and Medicaid Services (CMS). Quality measures developed under this section will be consistent with the national strategy.

Status Update: On April 6, 2011, the Centers for Medicare and Medicaid Services (CMS) announced public reporting of 8 hospital acquired condition (HAC) measures on Hospital Compare.

Next Steps:
- Requires an appropriation for implementation
- March 23, 2012 – Secretary must develop at least 10 measures related to acute and chronic diseases.
- March 23, 2013 – Secretary must develop at least 10 measures related to primary and preventive care.

Additional Information:
- CMS information on HACs included within Hospital Compare -- http://www.cms.gov/apps/media/press/release.asp?Counter=3922&intNumPerPage=10&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=1%2C+2%2C+3%2C+4%2C+5&intPage=&showAll=&pYear=&year=&desc=&cboOrder=date
- Agency for Healthcare Research and Quality (AHRQ) information regarding quality measurement development -- http://www.ahrq.gov/qual/measurix.htm

Long Summary:
Sec. 3013 Quality measure development (as modified by sec. 10303).
Requires the Secretary, in consultation with the Agency for Healthcare Research and Quality and the Centers for Medicare and Medicaid Services (CMS) to every 3 years to identify gaps in existing quality measures, or where existing quality measures need improvement, updating or expansion, consistent with the national strategy and priorities, and taking into account annual reports prepared by the National Quality Forum and recommendations of the AHRQ and CMS.

Development of quality measures. The Secretary is to develop quality measures to fill identified gaps by contracting with an entity with expertise in measure development and evaluation and that
has a process in place to coordinate with the National Quality Forum. Measures developed by the entity must build on Medicare measures; be able to be collected using HIT; be free of charge to the users; and be publicly available.

**Provider-level outcome measures.** In addition, the Secretary is to develop, and update every 3 years, provider-level outcome measures for hospitals and physicians, and other providers the Secretary finds appropriate. Measures must be developed for acute and chronic diseases (including, if feasible, for the 5 most prevalent and resource-intensive medical conditions) and primary and preventive care (including, if feasible, by distinct patient populations).

**Quality and efficiency measures.** The CMS must contract for development of quality and efficiency measures for purposes of the Medicare program, in consultation with the AHRQ.

**Hospital acquired conditions.** The CMS must publicly report on hospital-acquired condition measures used for payment adjustments to hospitals for rates of hospital-acquired infections.

**Authorization of appropriations.** Authorizes appropriations of $75 million to the Secretary of HHS for each of fiscal years 2010 – 2014 for these purposes, at least half of which is to be used by CMS for measure development for programs under the Social Security Act.

**Legislative text:**

SEC. 3013. QUALITY MEASURE DEVELOPMENT.
(a) PUBLIC HEALTH SERVICE ACT.—Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended—
(1) by redesignating part D as part E;
(2) by redesignating sections 931 through 938 as sections 941 through 948, respectively;
(3) in section 948(1), as so redesignated, by striking “931” and inserting “941”; and
(4) by inserting after section 926 the following:

“PART D—HEALTH CARE QUALITY IMPROVEMENT

“Subpart I—Quality Measure Development

“SEC. 931. QUALITY MEASURE DEVELOPMENT.
“(a) QUALITY MEASURE.—In this subpart, the term ‘quality measure’ means a standard for measuring the performance and improvement of population health or of health plans, providers of services, and other clinicians in the delivery of health care services.
“(b) IDENTIFICATION OF QUALITY MEASURES.—
“(1) IDENTIFICATION.—The Secretary, in consultation with the Director of the Agency for Healthcare Research and Quality and the Administrator of the Centers for Medicare & Medicaid Services, shall identify, not less often than triennially, gaps where no quality measures exist and existing quality measures that need improvement, updating, or expansion, consistent with the national strategy under section 399HH, to the extent available, for use in Federal health programs. In identifying such gaps and existing quality measures that need improvement, the Secretary shall take into consideration—
“(A) the gaps identified by the entity with a contract under section 1890(a) of the Social Security Act and other stakeholders;
“(B) quality measures identified by the pediatric quality measures program under section 1139A of the Social Security Act; and
“(C) quality measures identified through the Medicaid Quality Measurement Program under section 1139B of the Social Security Act.
“(2) PUBLICATION.—The Secretary shall make available to the public on an Internet website a report on any gaps identified under paragraph (1) and the process used to make such identification.
“(c) GRANTS OR CONTRACTS FOR QUALITY MEASURE DEVELOPMENT.—
“(1) IN GENERAL.—The Secretary shall award grants, contracts, or intergovernmental agreements to eligible entities for purposes of developing, improving, updating, or expanding quality measures identified under subsection (b).
“(2) PRIORITIZATION IN THE DEVELOPMENT OF QUALITY MEASURES.—In awarding grants, contracts, or agreements under this subsection, the Secretary shall give priority to the development of quality measures that allow the assessment of—

(A) health outcomes and functional status of patients;

(B) the management and coordination of health care across episodes of care and care transitions for patients across the continuum of providers, health care settings, and health plans;

(C) the experience, quality, and use of information provided to and used by patients, caregivers, and authorized representatives to inform decisionmaking about treatment options, including the use of shared decisionmaking tools and preference sensitive care (as defined in section 936);

(D) the meaningful use of health information technology;

(E) the safety, effectiveness, patient-centeredness, appropriateness, and timeliness of care;

(F) the efficiency of care;

(G) the equity of health services and health disparities across health disparity populations (as defined in section 485E) and geographic areas;

(H) patient experience and satisfaction;

(I) the use of innovative strategies and methodologies identified under section 933; and

(J) other areas determined appropriate by the Secretary.

(3) ELIGIBLE ENTITIES.—To be eligible for a grant or contract under this subsection, an entity shall—

(A) have demonstrated expertise and capacity in the development and evaluation of quality measures;

(B) have adopted procedures to include in the quality measure development process—

(i) the views of those providers or payers whose performance will be assessed by the measure; and

(ii) the views of other parties who also will use the quality measures (such as patients, consumers, and health care purchasers);

(C) collaborate with the entity with a contract under section 1890(a) of the Social Security Act and other stakeholders, as practicable, and the Secretary so that quality measures developed by the eligible entity will meet the requirements to be considered for endorsement by the entity with a contract under such section 1890(a);

(D) have transparent policies regarding governance and conflicts of interest; and

(E) submit an application to the Secretary at such time and in such manner, as the Secretary may require.

(4) USE OF FUNDS.—An entity that receives a grant, contract, or agreement under this subsection shall use such award to develop quality measures that meet the following requirements:

(A) Such measures support measures required to be reported under the Social Security Act, where applicable, and in support of gaps and existing quality measures that need improvement, as described in subsection (b)(1)(A).

(B) Such measures support measures developed under section 1139A of the Social Security Act and the Medicaid Quality Measurement Program under section 1139B of such Act, where applicable.

(C) To the extent practicable, data on such quality measures is able to be collected using health information technologies.

(D) Each quality measure is free of charge to users of such measure.

(E) Each quality measure is publicly available on an Internet website.

(d) OTHER ACTIVITIES BY THE SECRETARY.—The Secretary may use amounts available under this section to update and test, where applicable, quality measures endorsed by the entity with a contract under section 1890(a) of the Social Security Act or adopted by the Secretary.

(e) COORDINATION OF GRANTS.—The Secretary shall ensure that grants or contracts awarded under this section are coordinated with grants and contracts awarded under sections 1139A(5) and 1139B(4)(A) of the Social Security Act.

(f) DEVELOPMENT OF OUTCOME MEASURES.—

(1) IN GENERAL.—The Secretary shall develop, and periodically update (not less than every 3 years), provider-level outcome measures for hospitals and physicians, as well as other providers as determined appropriate by the Secretary.

(2) CATEGORIES OF MEASURES.—The measures developed under this subsection shall include, to the extent determined appropriate by the Secretary—

(A) outcome measurement for acute and chronic diseases, including, to the extent feasible, the 5 most prevalent and resource-intensive acute and chronic medical conditions; and

(B) outcome measurement for primary and preventative care, including, to the extent feasible, measurements that cover provision of such care for distinct patient populations (such as healthy children, chronically ill adults, or infirm elderly individuals).

(3) GOALS.—In developing such measures, the Secretary shall seek to—

(A) address issues regarding risk adjustment, accountability, and sample size;
“(B) include the full scope of services that comprise a cycle of care; and
“(C) include multiple dimensions.
“(4) TIMEFRAME.—
“(A) ACUTE AND CHRONIC DISEASES.—Not later than 24 months after the date of enactment of this Act, the Secretary shall develop not less than 10 measures described in paragraph (2)(A).
“(B) PRIMARY AND PREVENTIVE CARE.—Not later than 36 months after the date of enactment of this Act, the Secretary shall develop not less than 10 measures described in paragraph (2)(B).”.

(b) SOCIAL SECURITY ACT.—Section 1890A of the Social Security Act, as added by section 3014(b), is amended by adding at the end the following new subsection:

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Note: amendment made by section 10304 strikes “quality” and inserts “quality and efficiency” in section 1890A of the Social Security Act but did not specifically amend headings below (which have different typeface).
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“(e) DEVELOPMENT OF QUALITY AND EFFICIENCY MEASURES.—The Administrator of the Center for Medicare & Medicaid Services shall through contracts develop quality and efficiency measures (as determined appropriate by the Administrator) for use under this Act. In developing such measures, the Administrator shall consult with the Director of the Agency for Healthcare Research and Quality.
“(f) HOSPITAL ACQUIRED CONDITIONS.—The Secretary shall, to the extent practicable, publicly report on measures for hospital-acquired conditions that are currently utilized by the Centers for Medicare & Medicaid Services for the adjustment of the amount of payment to hospitals based on rates of hospital-acquired infections.”.

(c) FUNDING.—There are authorized to be appropriated to the Secretary of Health and Human Services to carry out this section, $75,000,000 for each of fiscal years 2010 through 2014. Of the amounts appropriated under the preceding sentence in a fiscal year, not less than 50 percent of such amounts shall be used pursuant to subsection (e) of section 1890A of the Social Security Act, as added by subsection (b), with respect to programs under such Act. Amounts appropriated under this subsection for a fiscal year shall remain available until expended.