

Health Reform and Health IT

The CMS Perspective

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Presentation Overview

- **Background**
- **CMS' Vision of Quality Improvement**
 - Value-driven care
 - Electronic Health Records
 - Affordable Care Act
- **Summary**

Medicare Solvency and Beneficiary Impact

- **Expenditures: \$219 billion in 2000
\$486 billion in 2009**
- **Part A Trust Fund**
 - **Excess expenditures over income since 2007**
- **Part B Trust Fund**
 - **Expenditures increased 11% annually for last 6 years**
- **Medicare premiums, deductibles, and cost-sharing = 28% of average Social Security check in 2010**

Practice Variation

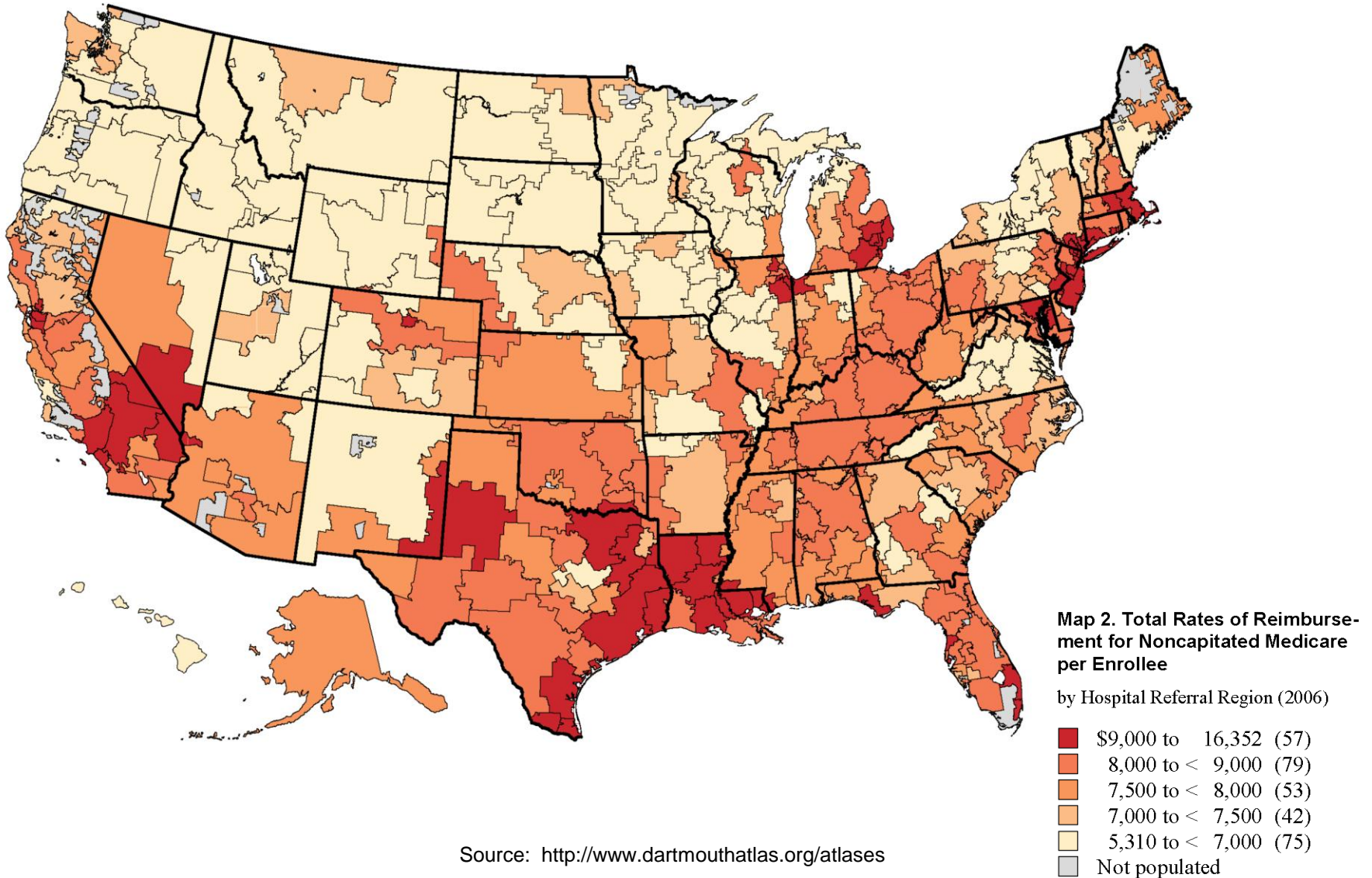
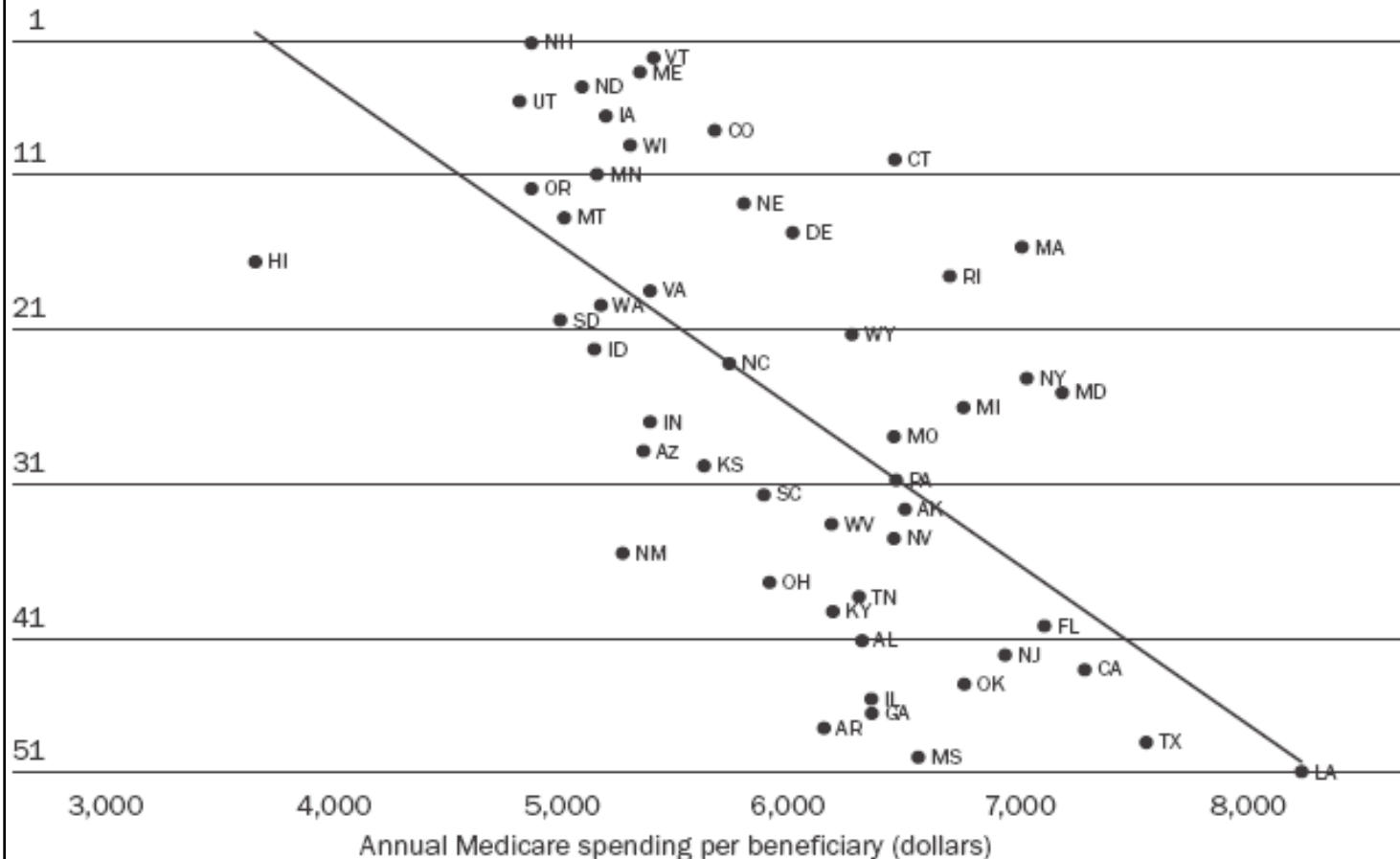


EXHIBIT 1

Relationship Between Quality And Medicare Spending, As Expressed By Overall Quality Ranking, 2000-2001

Overall quality ranking



SOURCES: Medicare claims data; and S.F. Jencks et al., "Change in the Quality of Care Delivered to Medicare Beneficiaries, 1998-1999 to 2000-2001," *Journal of the American Medical Association* 289, no. 3 (2003): 305-312.

NOTE: For quality ranking, smaller values equal higher quality.

CMS' Quality Improvement Roadmap

Vision: The right care for every person every time through care that is:

- **Safe**
- **Effective**
- **Efficient**
- **Patient-centered**
- **Timely**
- **Equitable**

Value-Driven Care

Goal:

Transformation from passive payer to active purchaser of higher quality, more efficient health care

Tools:

measurement, payment incentives, public reporting, conditions of participation, coverage policy, Quality Improvement Organizations

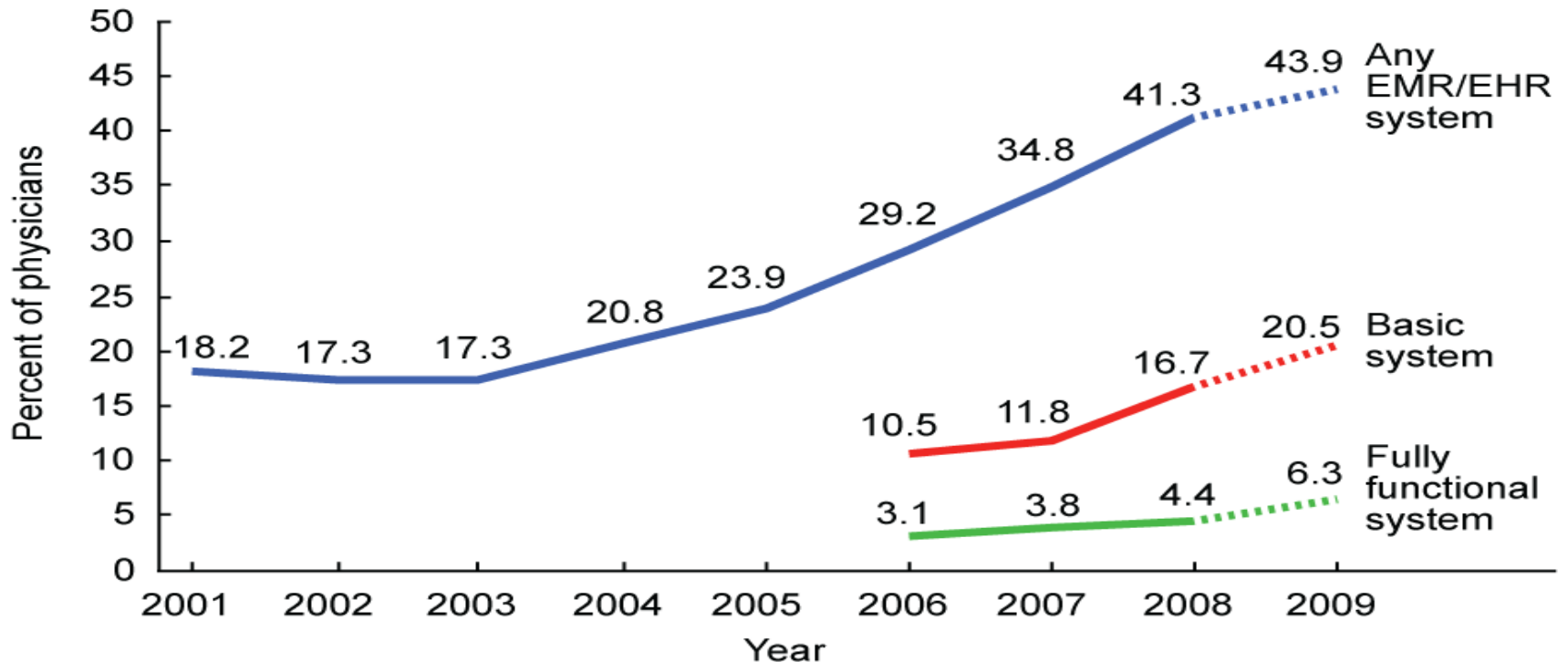
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Physician EHR Adoption

Figure. Percentage of office-based physicians using electronic medical records/electronic health records (EMRs/EHRs): United States, 2001–2008 and preliminary 2009



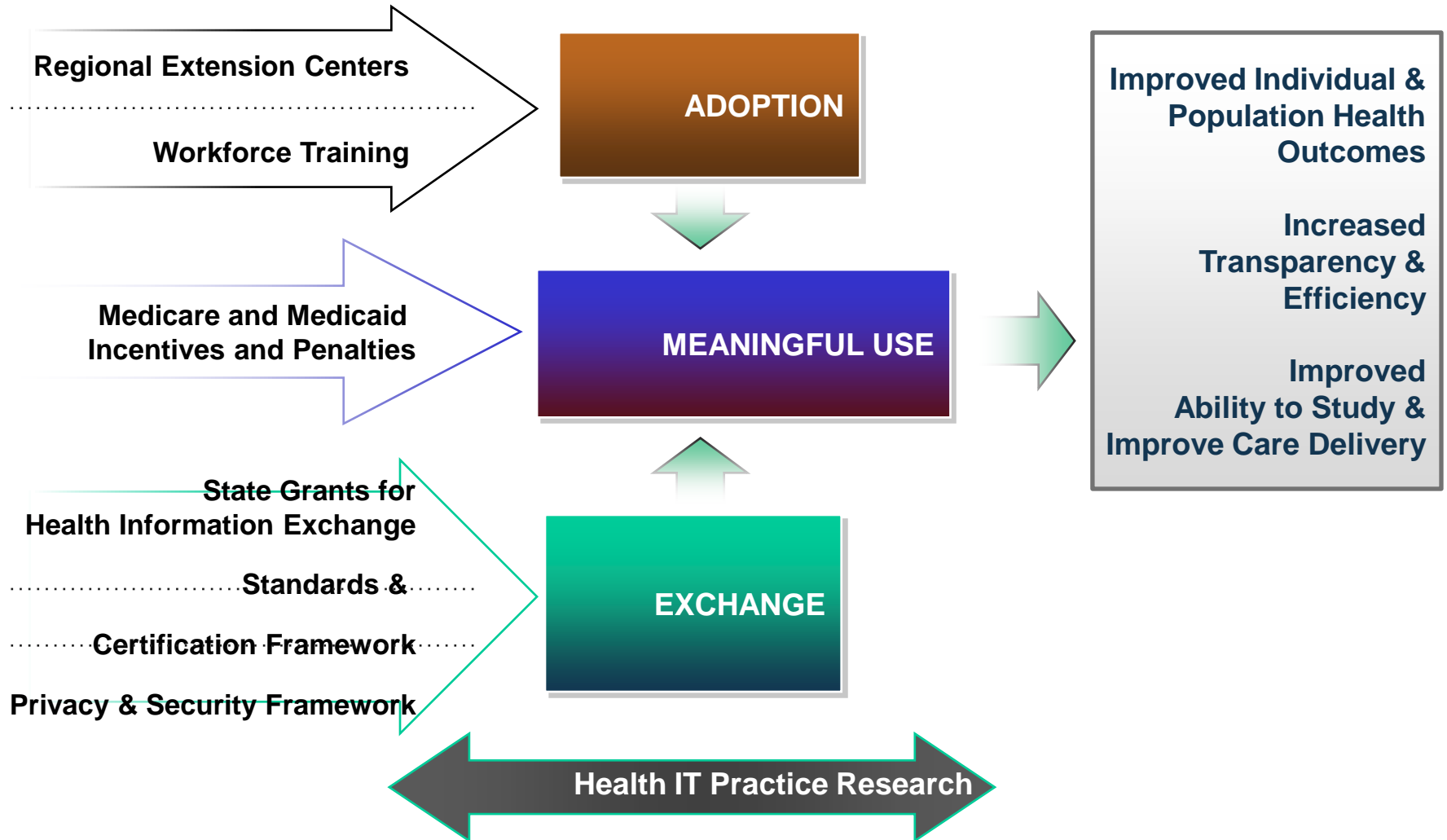
NOTES: Any EMR/EHR is a medical or health record system that is either all or partially electronic (excluding systems solely for billing). The 2009 data are preliminary estimates (as shown on dashed lines), based only on the mail survey. Estimates of basic and fully functional systems prior to 2006 could not be computed because some items were not collected in the survey. Starting in 2007, the skip pattern after the all or partial EMR/EHR systems question was removed. Includes nonfederal, office-based physicians. Excludes radiologists, anesthesiologists, and pathologists. SOURCE: CDC/NCHS, National Ambulatory Medical Care Survey.

Federal Government Responds: HITECH Act

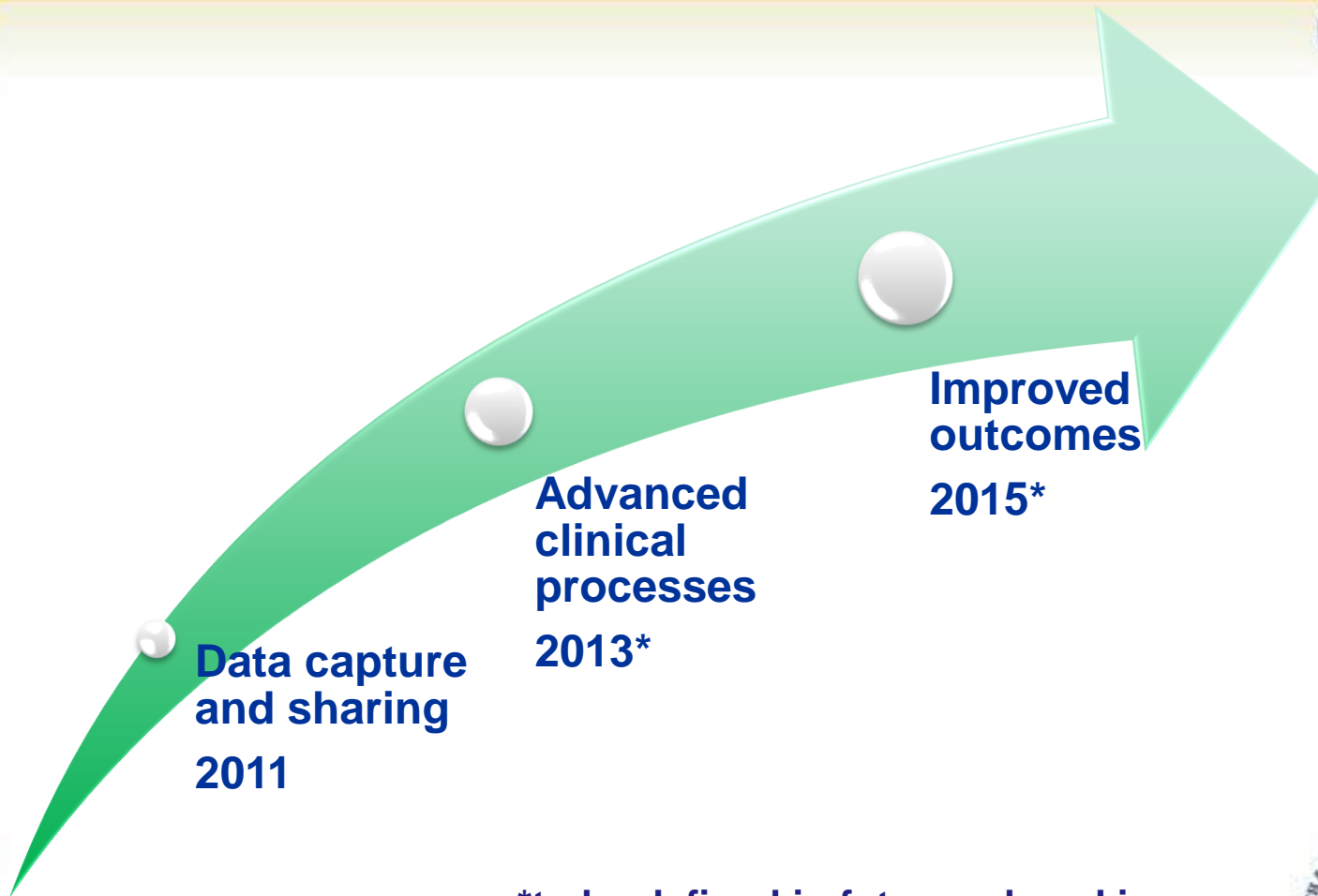


- Part of American Recovery and Reinvestment Act of 2009 (ARRA)
- Goal: Every American to have an EHR by 2014
- Systematically addresses major barriers to adoption and Meaningful Use:
 - Money/market reform
 - Technical assistance, support, and better information
 - Health information exchange
 - Privacy and security

HITECH: How the Pieces Fit Together



Conceptual Approach to Meaningful Use



***to be defined in future rulemaking**

Stage 1 – Health Outcome Priorities*

- Improve quality, safety, efficiency, and reduce health disparities
- Engage patients and families in their health care
- Improve care coordination
- Improve population and public health
- Ensure adequate privacy and security protections for personal health information

*Adapted from National Priorities Partnership. National Priorities and Goals: Aligning Our Efforts to Transform America's Healthcare. Washington, DC: National Quality Forum; 2008.

The Affordable Care Act Provisions

- **Expansion of Coverage**
- **Physician Quality Reporting Initiative (PQRI)**
- **Center for Medicare & Medicaid Innovation**
- **Preventive Services**
- **Indian Hospital and Clinic Reimbursement**

Physician Quality Reporting Initiative (PQRI)

- **Improvements to PQRI**
 - **Extends payments through 2014**
 - **Provides incentives to physicians who report quality data**
 - **Creates appeals and feedback processes**
 - **Establishes participation pathway for physicians**
 - **Who complete Maintenance of Certification program**
- **Effective on date of enactment**

**ACA
Section
3002 &
10327**

Center for Medicare & Medicaid Innovation

- **Test innovative payment and service delivery models**
 - Reduce program expenditures
 - Preserve or enhance the quality of care
- **20 possible models could be tested**
 - Successful models can be expanded nationally
- **Provide report to Congress on these activities**
- **Effective no later than January 1, 2011**

Preventive Services

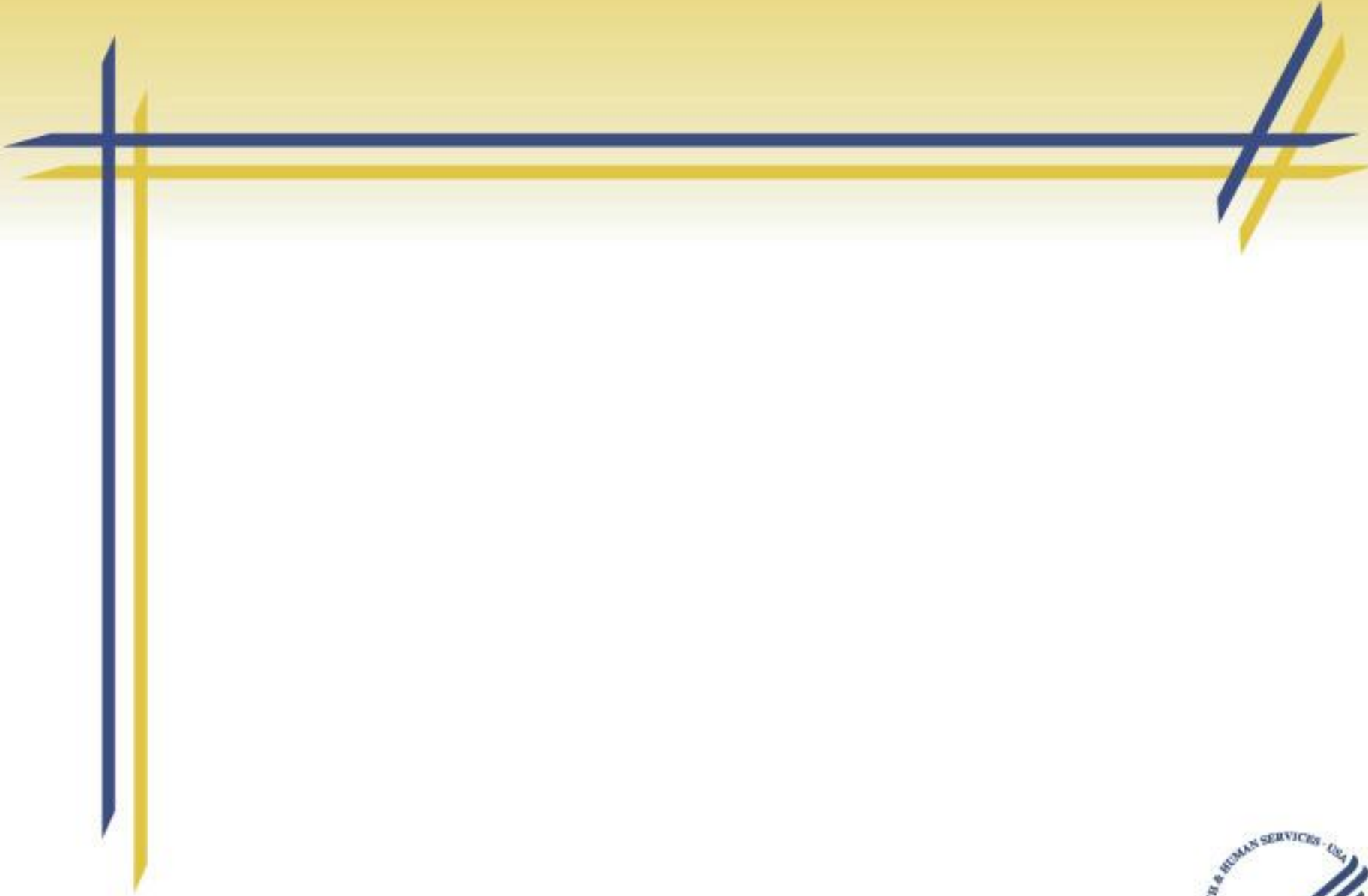
- **Elimination of Part B Deductible and Coinsurance starting January 1, 2011**
 - If received from a doctor or other health care provider who accepts assignment
 - Services must have an “A” or “B” rating by the United States Preventive Services Task Force

**ACA
Section
4104**

New Annual Wellness Visit

- **Annual Wellness Visit**
 - **Comprehensive health risk assessment**
 - **Personalized prevention plan**
 - **Health advice and referral to education and preventive counseling**
 - **No copayment or deductible**
 - **Available every 12 months**
- **Effective January 1, 2011**

**ACA
Section
4103**



Indian Hospital and Clinic Reimbursement

- **Section 630 of Medicare Modernization Act (MMA)**
 - **Certain Part B services provided at Indian hospitals and clinics were to be no longer covered**
 - **Provision sunset as of December 31, 2009**
- **Affordable Care Act extends Section 630 of MMA**
 - **Permanently**
 - **Retroactive to January 1, 2010**

Questions? Comments?

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