

For Immediate Release

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AHQA Endorses New Senate Bill to Reform and Modernize the QIO Program

Measure Is 'Moderate Alternative' to S. 1947

Washington, DC – The American Health Quality Association (AHQA) endorses legislation introduced today by Senators Orrin Hatch (R-UT), Jay Rockefeller (D-WV), Trent Lott (R-MS) and Edward Kennedy (D-MA) to reform and strengthen the nation's Medicare Quality Improvement Organization (QIO) program. QIOs are private organizations providing quality improvement assistance, data analysis, and other services to providers, practitioners, Medicare, Medicaid, and other public and private purchasers and payers.

“This legislation is needed to update Medicare law written a generation ago. It will make QIOs more effective in serving Medicare beneficiaries and improving the performance of providers that care for them,” said David Schulke, AHQA Executive Vice President.

Current law does not reflect the QIOs' leadership role in promoting measurement, improvement, and public accountability in health care. Today's legislation seeks to modernize the law to reflect the Institute of Medicine recommendation that the QIO program “must become an integral part of strategies for future performance measurement and improvement in the health care system.”

“Senators Hatch, Rockefeller, Lott, and Kennedy have struck a better balance between reforming and strengthening the Medicare Quality Improvement Organization program, compared to a competing bill introduced by Senators Grassley and Baucus in August,” said Schulke. “We share the concerns of the 40 national and 83 state stakeholder organizations that have already written to Congress since August to object to provisions of S. 1947, and we hope to secure enactment of the Hatch-Rockefeller-Lott-Kennedy bill as a bipartisan moderate alternative.”

The principal differences between the Grassley-Baucus and Hatch-Rockefeller-Lott-Kennedy bills are provisions in S. 1947 to create an unaccountable and duplicative new layer of contractors to take over case review functions, and provisions in the Hatch bill to reform QIO program management.

Hatch-Rockefeller-Lott-Kennedy would stabilize the constantly changing priorities of the QIO program, directing resources to reduce health care disparities, improve rural health quality, strengthen coordination of care as patients move between settings, support the adoption and use of health information technology, assist providers in accurately measuring and publicly reporting performance, and conduct outreach to inform consumers of their rights. Due to changing priorities within the executive branch, these basic responsibilities have come and gone in each of the past several QIO contracts. The bill's major improvements to the Medicare QIO program would:

- Overrule regulations that prohibit QIOs from informing beneficiaries of complaint findings;
- Restore QIOs' funding to educate the public about their rights to file complaints and appeals;
- Overrule regulations that prohibit QIOs from sharing patient-specific information with a treating physician when necessary for quality improvement and patient safety purposes;
- Accelerate the diversification of QIO governing bodies, and require HHS to set organizational integrity standards for compensation and conflicts of interest, backed by audits;
- Extend QIO contracts from three to five years with mandatory competition after each contract;
- Require HHS to consult IOM prior to each contract to evaluate CMS' plans for use of Medicare trust fund dollars allocated to the QIO contract; and
- Update the QIO program's statutory funding floor from the 1988 level to the 2006 level.

“Senators Hatch, Rockefeller, Lott and Kennedy have gotten it right. Their bill answers a number of legitimate questions that Congress and others have asked about the QIO program, and strengthens the way both the QIOs and the government operate,” said Schulke. “The result will be a program that better protects the interests of Medicare beneficiaries and the general public.”

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The American Health Quality Association (AHQA) is dedicated to improving the safety and effectiveness of health care. AHQA represents the national network of QIOs that work with hospitals, medical practices, long-term care facilities, home health agencies, health plans, pharmacists, employers, and others to encourage the spread of best clinical practices and improve systems of care delivery. Find your local QIO at: www.abqa.org