

Medicare Physician Payment Reform and Quality Improvement Act of 2006

Quality Improvement Organization Provisions

Title II of the Medicare Physician Payment Reform and Quality Improvement Act includes numerous provisions designed to modernize and strengthen the Medicare QIO program to improve the performance of the nation's health care system and enhance patient care.

Sec. 201: Codifies access to quality improvement assistance for Medicare providers and plans that want help improving care. Key functions include:

- Promoting understanding and implementation of quality improvement strategies.
- Assisting with collection and effective use of quality data for improvement.
- Redesigning care systems and processes, including effective use of Health Information Technology, to improve the safety, coordination, and effectiveness of care.
- Reducing health care disparities and improving rural health care.

Reforms the Medicare beneficiary complaint program to:

- Ensure greater patient-centeredness and systematic approaches to prevent and remedy quality problems.

- Help providers solicit and welcome patient feedback about quality of care.

Sec. 202: Ensures that program administration:

- Provides for independent program evaluation.
- Increases local stakeholder input into QIO activities and ensures appropriate funding.
- Requires the Comptroller General to report on effective implementation of Title II and management of the program by March 2010.
- Provides for maximum flexibility to innovate locally to improve quality.

Sec. 203: Allows QIOs to securely provide data to physicians for patient safety and quality improvement.

Sec. 204: Increases competition for contracts and ensures continuous program improvement.

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- Extends QIO contracts from three to five years to allow for comprehensive evaluation of the program.
- Requires excellent performance to earn one-time contract renewal.
- Mandates regular competition of contracts.

Sec. 205: Sets funding floor for the program with additional funding provided for increases in responsibilities. Strengthens program to meet increasing demand.

- Ensures funding to support essential program functions.
- Provides flexibility to allocate spending according to local needs with oversight by the Secretary.

- Sets a timeline for determining work and funding for each successive contract.
- Leverages Medicare's investment by allowing QIOs to contract with other entities to improve quality.

Sec. 206: Guarantees high levels of accountability and performance.

- Ensures that QIO boards represent diverse stakeholders, including consumers.
- Requires contract bidders to demonstrate previous success in performance improvement.

Sec. 207: Allows state Medicaid programs the option to improve quality utilizing QIO expertise.

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