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OIG Report on QIO Case Review Activities
Statement by David Schulke, AHQA Executive Vice President

On Friday, June 8, the Health and Human Services Office of Inspector General (OIG) released a report of its findings on case review activities of the Quality Improvement Organization (QIO) program, which is administered by the Centers for Medicare & Medicaid Services (CMS).

CMS contracts with a QIO in every state to review medical records, primarily for payment validation. QIOs take this responsibility very seriously, and also screen these cases for quality of care and other concerns. OIG confirmed that QIOs initiate quality improvement plans and other activities even when these are not required by CMS, stating “the number of payment related cases that also received quality reviews does show that QIO reviewers are looking for and finding quality concerns in nonquality reviews.”

Many aspects of QIO case review work are prescribed by CMS, however. For instance, when a quality concern is found, CMS instructs QIOs to

“Use your assessment of the nature and magnitude of the pattern of concerns, and your previous experience with the provider and/or practitioner involved, to identify the appropriate action. Utilize the least intrusive action(s) necessary to correct the behavior involved.”

Consistent with these instructions, QIOs used the “least intrusive” actions in 70 percent of the more than 4,600 cases where providers were asked to make changes to improve quality. The agency’s instructions in this regard represent a judicious exercise of the government’s power. The OIG did not question these QIO judgments.

The OIG found that QIOs made no corrective action recommendation in 28% of cases with a confirmed quality problem. This commonly happens when the QIO finds the provider has already acted on a problem by implementing a better system. Hospital providers in particular often initiate corrective action during the 30 day period they have to respond to a QIO’s inquiry in a case. QIOs report that these corrections are often not reflected in CMS’ CRIS data system as resulting from QIO action. In addition, as OIG noted, if a QIO

identifies a quality concern that is an isolated case which is not severe enough to warrant a referral to a regulator, the QIO brings it to the provider or practitioner's attention.

Although OIG had no recommendations, it suggested the agency "should consider whether it needs to revisit its guidance regarding classifications of confirmed quality concerns and corrective actions." AHQA agrees. In fact, CMS has already taken steps to improve the case review process since the end of the period studied by OIG, and we look forward to working with the agency to make further progress.

AHQA also agrees with the OIG that "QIOs have long had the potential to be an essential frontline mechanism through which Medicare can oversee the quality of care for which it pays." The QIO program has been refined many times to better achieve its potential since its inception 25 years ago. At the beginning, the program depended entirely on QIOs conducting case review on hundreds of thousands of medical records each year. In 1992, Medicare officials decided to focus QIOs "primarily on persistent differences between the observed and the achievable in both care and outcomes, and less on occasional, unusual deficiencies in care" (JAMA, August 19, 1992).

Today, QIOs employ both strategies to improve care. CMS primarily dedicates its national QIO resources to proactively helping providers to self-assess and improve quality in common clinical problems harming millions of older and disabled Americans. QIOs are proactive in recruiting providers to reexamine their practices in priority areas such as surgery and heart attack, heart failure and pneumonia treatment. But QIOs also initiate case-based quality improvement actions based on findings in individual chart reviews--usually reviews initiated by a Medicare beneficiary. Tomorrow, we expect that QIOs will help the public and purchasers make better health care decisions based on valid quality performance measures.

Our goal is to continuously modernize the QIO program to adopt the most effective strategies for improving the quality of health care. We have offered recommendations to Congress and CMS to improve the program and strongly support H.R. 1046, the Medicare Quality Improvement Organization Modernization Act of 2007, sponsored by Rep. Michael Burgess, M.D. (R-TX) and cosponsored by Rep. Tammy Baldwin (D-WI).

The OIG report was requested by Senator Charles Grassley (R-IA).

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