

Healthcare Quality Watch

FEBRUARY 2011

NEWS BRIEFS FOR
MANAGERS AND
OPINION LEADERS

Improving Healthcare
for the Common Good®

Are you a Member of IPRO?

If you are an actively practicing NYS-licensed physician, join online at www.ipro.org/membership. All new members will receive a personalized certificate of membership via US mail. There is no charge to join. Members of IPRO receive announcements and e-mails, newsletters on a variety of subjects, IPRO eNews, invitations to conferences, opportunities for collaborations and other useful information.

IPRO Supports Medicaid Fraud Recoveries

IPRO's identification of wasteful and fraudulent services billed to Medicaid in New York is resulting in substantial recoveries, under an innovative State and County-based demonstration program. Under the twelve-county pilot that began in 2006, local governments share in net savings resulting from audits and investigations undertaken in collaboration with New York State. In Westchester County, where IPRO is the County-designated Medicaid oversight auditor, total federal, state and local recoveries are well over \$3.4 million since the program began. "Westchester County's commitment to this Demonstration program has begun to pay dividends for taxpayers," according to New York State Association of Counties Executive Director Stephen J. Acquario. "It will continue to prevent waste and abuse in the Medicaid Program and save money for Westchester County taxpayers." According to New York State Medicaid Inspector General James G. Sheehan: "This kind of cooperation helps the state to protect the integrity of the Medicaid program so that funds are available for those in need."

IPRO to Headline Reform Seminar

The expanding role of independent review organizations (IROs) in handling consumer-originated external appeals of health plan coverage decisions under health reform is the subject of a morning seminar slated for later this winter in Manhattan. Sponsored by the Northeast Business Group on Health (NEBGH) and moderated by IPRO, the session will examine the intricacies of appeals rights and procedures, both in the Affordable Care Act and in implementing regulations issued jointly by the US Department of Justice, the US Department of Health & Human Services and the US Department of Labor. IPRO is one of a handful of

organizations already conducting external IRO reviews under state law. Health reform mandates expansion of external review rights to all Americans with private health plan coverage—whether fee-for-service or managed care—including newly insureds and enrollees in self-insured plan offerings. The total number of individuals with new appeals rights is scheduled to reach 41 million this year. For more information about this breakfast event, including registration, contact Jennifer Cole at NEBGH at jcole@nebgh.org, (212) 252-7440, ext 223.

Feds Propose More QIO Information-Sharing

The federal government would have greater access to Quality Improvement Organization (QIO) data and findings, under a proposed rule issued last month. Under current regulation, The Centers for Medicare & Medicaid Services have very limited access to QIO data as well as information that QIOs collect on individual providers and practitioners in the course of their Medicare oversight responsibilities. These confidentiality provisions have traditionally been applied to the remedial quality improvement plans and corrective actions that are required as a result of QIO review. In the proposed rule issued last month, CMS argues that while QIOs "have been instrumental in advancing national efforts that motivate providers to improve quality," confidentiality rules have prevented the federal government from integrating those efforts into a national quality improvement and reporting system. Confidentiality rules have also hampered CMS' efforts to examine the effectiveness of QIOs themselves, according to the government, including evaluating the performance of QIO physician reviewers—those individuals primarily responsible for instituting corrective action plans. The discussion of QIO regulation is part of

a larger proposal to implement a national value-based purchasing program for hospitals, which is mandated under health reform. Under the proposal, Medicare hospital payments would be based in part on the results of quality reporting findings, in such areas as management of heart attack, heart failure and pneumonia. Currently, annual payment updates are made to acute-care hospitals that agree to report on quality measures, regardless of actual performance on the measures. For more information, see the January 13 *Federal Register*, volume 76, number 9, which is available online at www.gpoaccess.gov.

Hospital Fund Explores New York's Exchange Structure

New York should avoid a passive "wait and see" approach to the Health Benefit Exchange requirements of the Affordable Care Act, according to new white paper issued by the United Hospital Fund (UHF). Under health reform, all states are required to set up Exchanges to facilitate enrollment of newly-insured individuals in health plans or have the federal government take over that responsibility. States that are early adopters are scheduled to receive federal Exchange support funding this year, with "dry runs" of Exchanges slated to begin in July 2013. UHF recommends that New York develop its own approach to the Exchange requirement as a means of underlining its "self-determination" in a number of areas including coordination with private plan offerings and Medicaid, as well as consumer protection. The UHF paper reviews the merits of creating an Exchange in partnership with other states, establishing a single statewide exchange, or developing a state-based but regionalized approach. The paper examines housing the entity within a state agency, creating a public benefit corporation or designating a new non-profit corporation. Among the quality oversight responsibilities of Exchanges are plan certification, rating plans' price and quality via federal criteria and oversight of providers' outcomes-based quality improvement plans. "*Building the Infrastructure for a New York Health Benefit Exchange: Key Decisions for State Policymakers*," is available via the UHF website at www.uhf.org.

Feds Launch "Physician Compare"

CMS has launched what it is calling the first phase of a national physician comparison website. Dubbed Physician Compare (www.medicare.gov), the site includes physician-specific contact and address information, office and specialty information, information on where a physician completed his or her medical degree and gender information. The site also indicates whether a particular physician accepts Medicare payment as payment in full. Plans call for adding information later this year on whether a practitioner is able to prescribe electronically. In future years, CMS plans to add quality information, including how a physician performs on clinical and patient experience measures included in the Physician Quality Reporting System (PQRS). CMS says more than 200,000 physicians currently report data through PQRS.

Feds Extend Enhanced Health IT Funding Support

The 62 Regional Extension Centers (RECs) that are supporting physicians and other providers in selecting and installing health information technology systems across the US are now eligible for four years of enhanced federal funding, rather than two. That's according to a January 25 announcement from National Coordinator for Health Information Technology David Blumenthal, published in the *Federal Register*. Citing legislative language permitting him to override cost-sharing requirements "detrimental" to supporting providers in the field, Blumenthal is now authorizing a 90-10 split in the ratio of federal to grantee funds available for RECs over a four-year period. The initial plan was a 90-10 split in the first two years of REC activity, followed by two more years of 10-90 funding. Blumenthal notes that RECs will still need to pass performance evaluations to secure federal funding for the third and fourth years of the grants. REC funding—initially estimated at \$642 million for 60 RECs—is available to support primary care services provided by individual and small group practices, public and critical access hospitals, community health centers and rural clinics, as well as other settings serving underserved populations. The two RECs in New York are the NYC REACH, covering the five boroughs of New York City, and the NYeC REC, covering upstate and Long Island. IPRO is designated as an "Implementation Agent" offering technical support to providers working with the NYeC REC. To review the Public Notice go to www.ofr.gov.

Healthcare Quality Watch is published by the Communications Department at IPRO.

An electronic version of *Healthcare Quality Watch* is available; subscribe at <http://ipro.org/ipro-qw>.

We welcome your comments and suggestions. Please forward them to the Editor, Spencer Vibbert, at svibbert@ipro.org.

IPRO

1979 Marcus Avenue, Lake Success, NY 11042

www.ipro.org

IPRO is a national organization providing a full spectrum of healthcare assessment and improvement services that foster more efficient use of resources and enhance healthcare quality to achieve better patient outcomes. For more than 25 years, IPRO has been highly regarded for the independence of its approach, the depth of its knowledge and experience, and the integrity of its programs. IPRO holds contracts with federal, state and local government agencies and corporate clients, in more than 33 states and the District of Columbia. A not-for-profit organization, IPRO is headquartered in Lake Success, NY.