

108TH CONGRESS
1ST SESSION

S. 1328

To provide for an evaluation by the Institute of Medicine of the National Academy of Sciences of leading health care performance measures and options to implement policies that align performance with payment under the medicare program under title XVIII of the Social Security Act.

IN THE SENATE OF THE UNITED STATES

JUNE 25, 2003

Mr. HATCH (for himself and Mrs. CLINTON) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To provide for an evaluation by the Institute of Medicine of the National Academy of Sciences of leading health care performance measures and options to implement policies that align performance with payment under the medicare program under title XVIII of the Social Security Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INSTITUTE OF MEDICINE EVALUATION AND RE-**
4 **PORT ON HEALTH CARE PERFORMANCE**
5 **MEASURES.**

6 (a) EVALUATION.—

1 (1) IN GENERAL.—Not later than the date that
2 is 2 months after the date of enactment of this Act,
3 the Secretary of Health and Human Services shall
4 enter into an arrangement under which the Institute
5 of Medicine of the National Academy of Sciences (in
6 this section referred to as the “Institute”) shall con-
7 duct an evaluation of leading health care perform-
8 ance measures and options to implement policies
9 that align performance with payment under the
10 medicare program under title XVIII of the Social
11 Security Act (42 U.S.C. 1395 et seq.).

12 (2) SPECIFIC MATTERS EVALUATED.—In con-
13 ducting the evaluation under paragraph (1), the In-
14 stitute shall—

15 (A) catalogue, review, and evaluate the va-
16 lidity of leading health care performance meas-
17 ures;

18 (B) catalogue and evaluate the success and
19 utility of alternative performance incentive pro-
20 grams in public or private sector settings; and

21 (C) identify and prioritize options to imple-
22 ment policies that align performance with pay-
23 ment under the medicare program that indi-
24 cate—

1 (i) the performance measurement set
 2 to be used and how that measurement set
 3 will be updated;

4 (ii) the payment policy that will re-
 5 ward performance; and

6 (iii) the key implementation issues
 7 (such as data and information technology
 8 requirements) that must be addressed.

9 (3) SCOPE OF HEALTH CARE PERFORMANCE
 10 MEASURES.—The health care performance measures
 11 described in paragraph (2)(A) shall encompass a va-
 12 riety of perspectives, including physicians, hospitals,
 13 health plans, purchasers, and consumers.

14 (4) CONSULTATION WITH MEDPAC.—In evalu-
 15 ating the matters described in paragraph (2)(C), the
 16 Institute shall consult with the Medicare Payment
 17 Advisory Commission established under section 1805
 18 of the Social Security Act (42 U.S.C. 1395b–6).

19 (b) REPORT.—Not later than the date that is 18
 20 months after the date of enactment of this Act, the Insti-
 21 tute shall submit to the Secretary of Health and Human
 22 Services, the Committees on Ways and Means and Energy
 23 and Commerce of the House of Representatives, and the
 24 Committee on Finance of the Senate a report on the eval-
 25 uation conducted under subsection (a)(1) describing the

1 findings of such evaluation and recommendations for an
2 overall strategy and approach for aligning payment with
3 performance in the original medicare fee-for-service pro-
4 gram under parts A and B of title XVIII of the Social
5 Security Act, the Medicare+Choice program under part
6 C of such title, and any other programs under such title
7 XVIII.

8 (c) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated \$1,000,000 for purposes
10 of conducting the evaluation and preparing the report re-
11 quired by this section.

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