S. 1451

To encourage the development of coordinated quality reforms to improve health care delivery and reduce the cost of care in the health care system.

IN THE SENATE OF THE UNITED STATES

May 22, 2007

Mr. Whitehouse introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To encourage the development of coordinated quality reforms to improve health care delivery and reduce the cost of care in the health care system.

- 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. SHORT TITLE.
- 4 This Act may be cited as the "Quality Reform Expan-
- 5 sion and Savings Act of 2007".
- 6 SEC. 2. FINDINGS AND PURPOSE.
- 7 (a) FINDINGS.—Congress makes the following find-
- 8 ings:
- 9 (1) The United States health care system ur-
- gently needs reform and improvement in the quality

- of care delivered, the optimization of investments, and prevention and detection of illness.
- 3 (2) The present system for payment of pro-4 viders for health care services often acts to deter or 5 discourage optimal investment in prevention or qual-6 ity of care improvement.
 - (3) Properly tailored health care reforms can lower medical cost and improve quality of care.
 - (4) The urgent need for reform of the American health care system, to improve quality of care and health outcomes, to lower cost, and to reduce waste and frustration, is not presently met with a commensurate national effort to design and implement those reforms.
 - (5) Many initiatives underway at the State and local level merit encouragement and support as they depend upon and inspire mutual trust and compromise within a community.
- 19 (b) Purpose.—It is the purpose of this Act to estab-20 lish a program to award grants to local, regional, or state-21 wide organizations to—
- (1) encourage the coordinated development of
 local health care quality reforms;
- (2) fund the development of practices beneficial
 to the health care system;

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1	(3) expand information technology, electronic
2	health records, and interoperable data systems in
3	the health care system;
4	(4) develop reimbursement practices that align
5	financial incentives with health and prevention re-
6	forms to identify and encourage best practices;
7	(5) lower the costs of health care delivery;
8	(6) encourage experimentation in different re-
9	gions of the United States; and
10	(7) reward cooperation among local entities en-
11	gaged in reforming the health care system.
12	SEC. 3. QUALITY REFORM GRANT INITIATIVE.
13	(a) Grants.—The Secretary of Health and Human
14	Services (referred to in this section as the "Secretary")
15	shall award quality reform grants to eligible entities to en-
16	hance, encourage, and expedite implementation of quality
17	reform plans to carry out the purposes of this Act.
18	(b) Eligibility of State, Local, and Regional
19	ENTITIES.—To be eligible to receive a grant under sub-
20	section (a), a qualifying entity shall be a State, local, or
21	regional organization dedicated to improving the quality
22	of health care through broad participation of the local
23	health care community, with a focus on quality improve-

24 ment and reporting, expansion of health information tech-

1	nology, cost-effective prevention, and restructuring of the
2	reimbursement system to enhance these goals.
3	(c) QUALITY REFORM COMMITTEE.—
4	(1) Establishment.—Not later than 180 days
5	after the date of the enactment of this Act, the Sec-
6	retary shall establish a Quality Reform Committee
7	(referred to in this Act as the "Committee") in ac-
8	cordance with this subsection.
9	(2) Membership.—The Committee shall be
10	composed of not less than 7 members, of which—
11	(A) one member shall be appointed by the
12	Administrator of the Centers for Medicare &
13	Medicaid Services;
14	(B) one member shall be appointed by the
15	Director of the National Institutes of Health;
16	(C) one member shall be appointed by the
17	Administrator of the Agency for Healthcare Re-
18	search and Quality;
19	(D) one member shall be appointed by the
20	National Coordinator for Health Information
21	Technology;
22	(E) one member shall be appointed by the
23	President of the Institute of Medicine:

1	(F) one member shall be appointed by the
2	Secretary from among candidates recommended
3	by the National Governor's Association; and
4	(G) one member shall be appointed by the
5	Secretary from among candidates recommended
6	by the United States Conference of Mayors.
7	(3) General Duties.—The Committee shall—
8	(A) formally approve the application of an
9	eligible entity for a grant under this section and
10	recommend to the Secretary that such a grant
11	be awarded to such entity;
12	(B) facilitate communication among eligi-
13	ble entities and other organizations;
14	(C) evaluate and exchange best practices
15	relating to activities carried out under the
16	grants;
17	(D) share research and expertise relating
18	to activities under the grants;
19	(E) encourage collaboration and coopera-
20	tion with and among grantees under this sec-
21	tion;
22	(F) recognize the achievements of grantees
23	under this section in a public manner;
24	(G) assist grantees under this section by
25	serving as an advocate and ombudsman to over-

1	come bureaucratic and other obstacles within
2	the Federal Government that hinder the
3	achievement of this effort;
4	(H) encourage integration of activities
5	under this section with the private sector;
6	(I) study, identify, and report on market
7	failures and anomalies that create economic in-
8	centives adverse to achievement of the goals of
9	quality reform, cost reduction, health informa-
10	tion technology expansion, and illness preven-
11	tion;
12	(J) assist with coordinating information
13	technology infrastructure; and
14	(K) assign personnel to serve as
15	facilitators for local programs and as primary
16	Federal points of contact with grantees under
17	this section.
18	(4) Period of appointment.—Members shall
19	be appointed to serve for a term as determined ap-
20	propriate by the appointing authority, as the case
21	may be, and shall serve until their successor is ap-
22	pointed.
23	(5) Chairperson; meetings.—
24	(A) Chairperson.—The Committee shall
25	select a Chairperson from among its members.

- 1 (B) QUORUM.—A majority of the members 2 of the Committee shall constitute a quorum, but 3 a lesser number of members may hold hearings.
 - (C) MEETINGS.—Not later than 30 days after the date on which all members of the Committee have been appointed under paragraph (2), the Committee shall hold its first meeting. The Committee shall meet at the call of the Chairperson.

(6) Powers.—

- (A) Hearings.—The Committee may hold hearings, if determined necessary by the Committee to carry out the purposes of this Act, sit and act at such times and places, take such testimony, and receive such evidence as the Committee determines appropriate to carry out the purposes of this Act.
- (B) Annual public meetings.—In addition to other meetings the Committee may hold, the Committee shall hold an annual public meeting for grantees under this section in order that grantees may report progress toward achieving the purposes in section 2(b) and in the exchange of information with one another and with the Committee.

- (C) Information.—The Committee may obtain information directly from any Federal department or agency as the Committee determines is necessary to carry out this section.

 Upon the request of the Chairperson of the Committee, the head of such department or agency shall furnish such information to the Committee.
 - (D) Contracting.—The Committee may enter into contracts with qualified independent organizations to obtain necessary information to assist grantees with the development of best evidence-based practices and outcomes measurements or any other matters determined by the Committee to be appropriate and reasonable to carry out this section.
 - (E) Postal services.—The Committee may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(7) Personnel matters.—

(A) COMPENSATION.—Each member of the Committee who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Committee. All members of the Committee who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

- (B) Travel expenses.—The members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Committee.
- (C) STAFF.—The Chairperson of the Committee may, without regard to the civil service laws and regulations, appoint and terminate personnel as may be necessary to enable the Committee to perform its duties.

- 1 (D) DETAIL OF GOVERNMENTAL EMPLOY2 EES.—Any Federal Government employee may
 3 be detailed to the Committee without reim4 bursement upon the request of the Committee,
 5 and such detail shall be without interruption or
 6 loss of civil service status or privilege.
 - (E) Temporary and intermittent services.—The Chairperson of the Committee may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.
 - (8) Funding.—For the purpose of carrying out this subsection, there are authorized to be appropriated \$2,000,000 for fiscal year 2008 and each subsequent fiscal year.

(d) QUALITY REFORM PLAN.—

(1) In General.—To be eligible to receive a grant under this section, an entity shall prepare and submit to the Committee, as part of the application under subsection (b), a plan to seek to improve qual-

1	ity of care, which is encouraged to include the fol-
2	lowing elements:
3	(A) Involvement and leadership of the local
4	health care community in the area to be served
5	under the grant.
6	(B) Strategies to achieve cost-saving qual-
7	ity improvements in service delivery as a result
8	of activities carried out under the grant.
9	(C) Development and implementation of
10	electronic health record keeping, health infor-
11	mation systems, interoperability, evidence-based
12	clinical decision support, or electronic prescrip-
13	tion of pharmaceuticals.
14	(D) Methods to optimize evidence-based in-
15	vestment in early prevention and detection of
16	illness.
17	(E) Restructuring of provider reimburse-
18	ment provisions to assist in accomplishing the
19	objectives of the plan.
20	(F) Efforts to use savings to expand health
21	care coverage to the uninsured.
22	(2) Grant Period.—The period of a grant
23	awarded under this section shall not exceed 2 years
24	and may be renewed for subsequent 2-year periods
25	upon reapplication to the Committee. Nothing in

- 1 this paragraph shall be construed to prohibit a
- 2 grantee from requesting an extension for a period of
- 3 less than 2 years.
- 4 (e) WAIVERS.—A State in which a grantee under this
- 5 section is located shall receive expedited and priority con-
- 6 sideration of waiver requests from the Centers for Medi-
- 7 care & Medicaid Services when necessary or appropriate
- 8 to achieve the purposes for which the grant was awarded.
- 9 (f) Amount of Grant.—The amount of a grant
- 10 awarded to an entity under this section shall be deter-
- 11 mined based upon the recommendations of the Committee,
- 12 subject to appropriations, but is intended to be an unre-
- 13 stricted grant to eligible entities with qualifying plans.
- 14 (g) Report.—
- 15 (1) By entities.—An entity that is awarded a
- grant under this section shall submit to the Com-
- mittee an annual report for the period representing
- 18 the entity's fiscal year, that shall contain a descrip-
- tion of the results of activities carried out under the
- project.
- 21 (2) By COMMITTEE.—Not later than the end of
- the 5-year period beginning on the date on which the
- first grant is awarded under this section, the Com-
- 24 mittee shall prepare and submit to the appropriate
- committees of Congress, a report on the progress

- 1 made by grantees in achieving the purposes of this
- 2 Act.
- 3 (h) Sense of the Senate.—It is the sense of the
- 4 Senate that, not later than 45 days after receiving the re-
- 5 port submitted under subsection (g)(2), each Committee
- 6 to which such report is submitted should hold at least 1
- 7 hearing concerning such report and the recommendations
- 8 contained in such report.
- 9 (i) AUTHORIZATION OF APPROPRIATIONS.—There
- 10 are authorized to be appropriated to carry out this Act,
- 11 \$100,000,000 for the 10-fiscal year period beginning in
- 12 fiscal year 2008.

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