

110TH CONGRESS
1ST SESSION

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-
10 gently needs reform and improvement in the quality

1 of care delivered, the optimization of investments,
2 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.

7 (3) Properly tailored health care reforms can
8 lower medical cost and improve quality of care.

9 (4) The urgent need for reform of the American
10 health care system, to improve quality of care and
11 health outcomes, to lower cost, and to reduce waste
12 and frustration, is not presently met with a commen-
13 surate national effort to design and implement those
14 reforms.

15 (5) Many initiatives underway at the State and
16 local level merit encouragement and support as they
17 depend upon and inspire mutual trust and com-
18 promise 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—

22 (1) encourage the coordinated development of
23 local health care quality reforms;

24 (2) fund the development of practices beneficial
25 to the health care system;

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.

4 (C) MEETINGS.—Not later than 30 days
5 after the date on which all members of the
6 Committee have been appointed under para-
7 graph (2), the Committee shall hold its first
8 meeting. The Committee shall meet at the call
9 of the Chairperson.

10 (6) POWERS.—

11 (A) HEARINGS.—The Committee may hold
12 hearings, if determined necessary by the Com-
13 mittee to carry out the purposes of this Act, sit
14 and act at such times and places, take such tes-
15 timony, and receive such evidence as the Com-
16 mittee determines appropriate to carry out the
17 purposes of this Act.

18 (B) ANNUAL PUBLIC MEETINGS.—In addi-
19 tion to other meetings the Committee may hold,
20 the Committee shall hold an annual public
21 meeting for grantees under this section in order
22 that grantees may report progress toward
23 achieving the purposes in section 2(b) and in
24 the exchange of information with one another
25 and with the Committee.

1 (C) INFORMATION.—The Committee may
2 obtain information directly from any Federal
3 department or agency as the Committee deter-
4 mines is necessary to carry out this section.
5 Upon the request of the Chairperson of the
6 Committee, the head of such department or
7 agency shall furnish such information to the
8 Committee.

9 (D) CONTRACTING.—The Committee may
10 enter into contracts with qualified independent
11 organizations to obtain necessary information to
12 assist grantees with the development of best
13 evidence-based practices and outcomes measure-
14 ments or any other matters determined by the
15 Committee to be appropriate and reasonable to
16 carry out this section.

17 (E) POSTAL SERVICES.—The Committee
18 may use the United States mails in the same
19 manner and under the same conditions as other
20 departments and agencies of the Federal Gov-
21 ernment.

22 (7) PERSONNEL MATTERS.—

23 (A) COMPENSATION.—Each member of the
24 Committee who is not an officer or employee of
25 the Federal Government shall be compensated

1 at a rate equal to the daily equivalent of the an-
2 nual rate of basic pay prescribed for level IV of
3 the Executive Schedule under section 5315 of
4 title 5, United States Code, for each day (in-
5 cluding travel time) during which such member
6 is engaged in the performance of the duties of
7 the Committee. All members of the Committee
8 who are officers or employees of the United
9 States shall serve without compensation in addi-
10 tion to that received for their services as offi-
11 cers or employees of the United States.

12 (B) TRAVEL EXPENSES.—The members of
13 the Committee shall be allowed travel expenses,
14 including per diem in lieu of subsistence, at
15 rates authorized for employees of agencies
16 under subchapter I of chapter 57 of title 5,
17 United States Code, while away from their
18 homes or regular places of business in the per-
19 formance of services for the Committee.

20 (C) STAFF.—The Chairperson of the Com-
21 mittee may, without regard to the civil service
22 laws and regulations, appoint and terminate
23 personnel as may be necessary to enable the
24 Committee to perform its duties.

1 (D) DETAIL OF GOVERNMENTAL EMPLOY-
2 EES.—Any Federal Government employee may
3 be detailed to the Committee without reim-
4 bursement upon the request of the Committee,
5 and such detail shall be without interruption or
6 loss of civil service status or privilege.

7 (E) TEMPORARY AND INTERMITTENT
8 SERVICES.—The Chairperson of the Committee
9 may procure temporary and intermittent serv-
10 ices under section 3109(b) of title 5, United
11 States Code, at rates for individuals which do
12 not exceed the daily equivalent of the annual
13 rate of basic pay prescribed for level V of the
14 Executive Schedule under section 5316 of such
15 title.

16 (8) FUNDING.—For the purpose of carrying out
17 this subsection, there are authorized to be appro-
18 priated \$2,000,000 for fiscal year 2008 and each
19 subsequent fiscal year.

20 (d) QUALITY REFORM PLAN.—

21 (1) IN GENERAL.—To be eligible to receive a
22 grant under this section, an entity shall prepare and
23 submit to the Committee, as part of the application
24 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
16 grant under this section shall submit to the Com-
17 mittee an annual report for the period representing
18 the entity's fiscal year, that shall contain a descrip-
19 tion of the results of activities carried out under the
20 project.

21 (2) BY COMMITTEE.—Not later than the end of
22 the 5-year period beginning on the date on which the
23 first grant is awarded under this section, the Com-
24 mittee shall prepare and submit to the appropriate
25 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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