

110TH CONGRESS
1ST SESSION

S. 1824

To amend title XVIII of the Social Security Act to establish a Hospital Quality Report Card Initiative under the Medicare program to assess and report on health care quality in hospitals.

IN THE SENATE OF THE UNITED STATES

JULY 19, 2007

Mr. OBAMA introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to establish a Hospital Quality Report Card Initiative under the Medicare program to assess and report on health care quality in hospitals.

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 “Hospital Quality Re-
5 port Card Act of 2007”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to expand hospital quality
8 reporting by establishing the Hospital Quality Report

1 Card Initiative under the Medicare program to ensure that
2 hospital quality measures data are readily available and
3 accessible in order to—

4 (1) assist patients and consumers in making de-
5 cisions about where to get health care;

6 (2) assist purchasers and insurers in making
7 decisions that determine where employees, sub-
8 scribers, members, or participants are able to go for
9 their health care; and

10 (3) assist health care providers in identifying
11 opportunities for quality improvement and cost con-
12 tainment.

13 **SEC. 3. HOSPITAL QUALITY REPORT CARD INITIATIVE.**

14 (a) IN GENERAL.—Title XVIII of the Social Security
15 Act (42 U.S.C. 1395 et seq.) is amended by adding at
16 the end the following new section:

17 “HOSPITAL QUALITY REPORT CARD INITIATIVE

18 “SEC. 1898. (a) IN GENERAL.—Not later than 18
19 months after the date of the enactment of the Hospital
20 Quality Report Card Act of 2007, the Secretary, acting
21 through the Administrator of the Centers for Medicare &
22 Medicaid Services (in this section referred to as the ‘Ad-
23 ministrator’) and in consultation with the Director of the
24 Agency for Healthcare Research and Quality, shall, di-
25 rectly or through contracts with States or appropriate en-
26 tities (such as utilization and quality control peer review

1 organizations under part B of title XI, commonly known
2 as Quality Improvement Organizations), establish and im-
3 plement a Hospital Quality Report Card Initiative (in this
4 section referred to as the ‘Initiative’) to report on health
5 care quality in subsection (d) hospitals.

6 “(b) SUBSECTION (d) HOSPITAL.—For purposes of
7 this section, the term ‘subsection (d) hospital’ has the
8 meaning given such term in section 1886(d)(1)(B).

9 “(c) REQUIREMENTS OF INITIATIVE.—

10 “(1) QUALITY MEASUREMENT REPORTS FOR
11 HOSPITALS.—

12 “(A) QUALITY MEASURES.—Not less than
13 2 times each year, the Secretary shall publish
14 reports on hospital quality. Such reports shall
15 include quality measures data submitted under
16 section 1886(b)(3)(B)(viii), and other data as
17 feasible, that allow for an assessment of health
18 care—

19 “(i) effectiveness;

20 “(ii) safety;

21 “(iii) timeliness;

22 “(iv) efficiency;

23 “(v) patient-centeredness; and

24 “(vi) equity.

1 “(B) REPORT CARD FEATURES.—In col-
2 lecting and reporting data as provided for
3 under subparagraph (A), the Secretary shall in-
4 clude hospital information, as possible, relating
5 to—

6 “(i) staffing levels of nurses and other
7 health professionals, as appropriate;

8 “(ii) rates of hospital acquired infec-
9 tions;

10 “(iii) the volume of various procedures
11 performed;

12 “(iv) the availability of interpreter
13 services on-site;

14 “(v) the accreditation of hospitals, as
15 well as sanctions and other violations
16 found by accreditation or State licensing
17 boards;

18 “(vi) the quality of care for various
19 patient populations, including pediatric
20 populations and racial and ethnic minority
21 populations;

22 “(vii) the availability and accessibility
23 of emergency rooms, including measures of
24 crowding such as diversion status, patient

1 boarding in the emergency room, and un-
2 treated patients due to extended wait time;

3 “(viii) the availability of intensive care
4 units, obstetrical units, and burn units;

5 “(ix) the quality of care in various
6 hospital settings, including inpatient, out-
7 patient, emergency, maternity, and inten-
8 sive care unit settings;

9 “(x) the use of health information
10 technology, telemedicine, and electronic
11 medical records;

12 “(xi) ongoing patient safety initia-
13 tives; and

14 “(xii) other measures determined ap-
15 propriate by the Secretary.

16 “(C) TAILORING OF HOSPITAL QUALITY
17 REPORTS.—The Director of the Agency for
18 Healthcare Research and Quality may modify
19 and publish hospital reports to include quality
20 measures for diseases and health conditions of
21 particular relevance to certain regions, States,
22 or local areas.

23 “(D) RISK ADJUSTMENT.—

24 “(i) IN GENERAL.—In reporting data
25 as provided for under subparagraph (A),

1 the Secretary may risk adjust quality
2 measures to account for differences relat-
3 ing to—

4 “(I) the characteristics of the re-
5 porting hospital, such as licensed bed
6 size, geography, teaching hospital sta-
7 tus, and profit status; and

8 “(II) patient characteristics, such
9 as health status, severity of illness, in-
10 surance status, and socioeconomic sta-
11 tus.

12 “(ii) AVAILABILITY OF UNADJUSTED
13 DATA.—If the Secretary reports data
14 under subparagraph (A) using risk-ad-
15 justed quality measures, the Secretary
16 shall establish procedures for making the
17 unadjusted data available to the public in
18 a manner determined appropriate by the
19 Secretary.

20 “(E) COSTS AND CHARGES.—The Sec-
21 retary shall—

22 “(i) compile data relating to the aver-
23 age hospital cost and charges for ICD–9
24 conditions for which quality measures data
25 are collected; and

1 “(ii) report such information in a
2 manner that allows cost and charge com-
3 parisons between or among subsection (d)
4 hospitals.

5 “(F) VERIFICATION.—Under the Initiative,
6 the Secretary may verify data reported under
7 this paragraph to ensure accuracy and validity.

8 “(G) DISCLOSURE.—The Secretary shall
9 disclose the entire methodology for the report-
10 ing of data under this paragraph to all relevant
11 organizations and all subsection (d) hospitals
12 that are the subject of any such information
13 that is to be made available to the public prior
14 to the public disclosure of such information.

15 “(H) PUBLIC INPUT.—The Secretary shall
16 provide an opportunity for public review and
17 comment with respect to the quality measures
18 to be reported for subsection (d) hospitals
19 under this section for at least 60 days prior to
20 the finalization by the Secretary of the quality
21 measures to be used for such hospitals.

22 “(I) AVAILABILITY OF REPORTS AND FIND-
23 INGS.—

24 “(i) ELECTRONIC AVAILABILITY.—
25 The Secretary shall ensure that reports are

1 made available under this section in an
2 electronic format, in an understandable
3 manner with respect to various populations
4 (including those with low functional health
5 literacy), and in a manner that allows
6 health care quality comparisons to be made
7 between local hospitals.

8 “(ii) FINDINGS.—The Secretary shall
9 establish procedures for making report
10 findings available to the public, upon re-
11 quest, in a nonelectronic format, such as
12 through the toll-free telephone number 1-
13 800-MEDICARE.

14 “(J) IDENTIFICATION OF METHOD-
15 OLOGY.—The analytic methodologies and limi-
16 tations on data sources utilized by the Sec-
17 retary to develop and disseminate the compara-
18 tive data under this section shall be identified
19 and acknowledged as part of the dissemination
20 of such data, and include the appropriate and
21 inappropriate uses of such data.

22 “(K) ADVERSE SELECTION OF PA-
23 TIENTS.—On at least an annual basis, the Sec-
24 retary shall compare quality measures data sub-
25 mitted by each subsection (d) hospital under

1 section 1886(b)(3)(B)(viii) with data submitted
2 in the prior year or years by the same hospital
3 in order to identify and report actions that
4 would lead to false or artificial improvements in
5 the hospital's quality measurements, includ-
6 ing—

7 “(i) adverse selection against patients
8 with severe illness or other factors that
9 predispose patients to poor health out-
10 comes; and

11 “(ii) provision of health care that does
12 not meet established recommendations or
13 accepted standards for care.

14 “(2) DATA SAFEGUARDS.—

15 “(A) UNAUTHORIZED USE AND DISCLO-
16 SURE.—The Secretary shall develop and imple-
17 ment effective safeguards to protect against the
18 unauthorized use or disclosure of hospital data
19 that is reported under this section.

20 “(B) INACCURATE INFORMATION.—The
21 Secretary shall develop and implement effective
22 safeguards to protect against the dissemination
23 of inconsistent, incomplete, invalid, inaccurate,
24 or subjective hospital data.

1 “(C) IDENTIFIABLE DATA.—The Secretary
2 shall ensure that identifiable patient data shall
3 not be released to the public.

4 “(d) GRANTS AND TECHNICAL ASSISTANCE.—The
5 Secretary may award grants to national or State organiza-
6 tions, partnerships, utilization and quality control peer re-
7 view organizations under part B of title XI, or other enti-
8 ties that may assist with hospital quality improvement.

9 “(e) HOSPITAL QUALITY ADVISORY COMMITTEE.—

10 “(1) ESTABLISHMENT.—The Administrator, in
11 consultation with the Director of the Agency for
12 Healthcare Research and Quality, shall establish the
13 Hospital Quality Advisory Committee (in this sub-
14 section referred to as the ‘Advisory Committee’) to
15 provide advice to the Administrator on the submis-
16 sion, collection, and reporting of quality measures
17 data. The Administrator shall serve as the chair-
18 person of the Advisory Committee.

19 “(2) MEMBERSHIP.—The Advisory Committee
20 shall include representatives of the following (except
21 with respect to subparagraphs (A) through (D), to
22 be appointed by the Administrator):

23 “(A) The Agency for Healthcare Research
24 and Quality.

1 “(B) The Health Resources and Services
2 Administration.

3 “(C) The Department of Veterans Affairs.

4 “(D) The Centers for Disease Control and
5 Prevention.

6 “(E) National membership organizations
7 that focus on health care quality improvement.

8 “(F) Public and private hospitals.

9 “(G) Physicians, nurses, and other health
10 professionals.

11 “(H) Patients and patient advocates.

12 “(I) Health insurance purchasers and
13 other payers.

14 “(J) Health researchers, policymakers, and
15 other experts in the field of health care quality.

16 “(K) Health care accreditation entities.

17 “(L) Representatives of utilization and
18 quality control peer review organizations under
19 part B of title XI.

20 “(M) Other agencies and groups as deter-
21 mined appropriate by the Administrator.

22 “(3) DUTIES.—The Advisory Committee shall
23 review and provide guidance and recommendations
24 to the Administrator on—

25 “(A) the establishment of the Initiative;

1 “(B) integration and coordination of Fed-
2 eral quality measures data submission require-
3 ments, to avoid needless duplication and ineffi-
4 ciency;

5 “(C) legal and regulatory barriers that
6 may hinder quality measures data collection
7 and reporting; and

8 “(D) necessary technical and financial as-
9 sistance to encourage quality measures data col-
10 lection and reporting.

11 “(4) STAFF AND RESOURCES.—The Adminis-
12 trator shall provide the Advisory Committee with ap-
13 propriate staff and resources for the functioning of
14 the Advisory Committee.

15 “(5) DURATION.—The Advisory Committee
16 shall terminate at the discretion of the Adminis-
17 trator, but in no event later than 5 years after the
18 date of enactment of this section.

19 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated to carry out this section
21 such sums as may be necessary for each of fiscal years
22 2008 through 2017.”.

23 (b) CONFORMING AMENDMENT.—Section
24 1886(b)(3)(B)(viii)(VII) of the Social Security Act (42
25 U.S.C. 1395ww(b)(3)(B)(viii)(VII)), as added by section

1 5001 of the Deficit Reduction Act of 2005, is amended
2 to read as follows:

3 “(VII) The Secretary shall use the data submitted
4 under this clause for the Hospital Quality Report Card
5 Initiative under section 1898.”.

6 **SEC. 4. EVALUATION OF THE HOSPITAL QUALITY REPORT**
7 **CARD INITIATIVE.**

8 (a) IN GENERAL.—The Director of the Agency for
9 Healthcare Research and Quality, directly or through con-
10 tract, shall evaluate and periodically report to Congress
11 on the effectiveness of the Hospital Quality Report Card
12 Initiative established under section 1898 of the Social Se-
13 curity Act, as added by section 3, including the effective-
14 ness of the Initiative in meeting the purpose described in
15 section 2. The Director shall make such reports available
16 to the public.

17 (b) RESEARCH.—The Director of the Agency for
18 Healthcare Research and Quality, in consultation with the
19 Administrator of the Centers for Medicare & Medicaid
20 Services, shall use the outcomes from the evaluation con-
21 ducted pursuant to subsection (a) to increase the useful-
22 ness of the Hospital Quality Report Card Initiative, par-
23 ticularly for patients, as necessary.

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