



Report to the Congress: Medicare and the Health Care Delivery System • June 2011 Recommendations

The June 2011 Report to Congress from the Medicare Payment Advisory Commission contains seven chapters, two of which contain recommendations to the Congress. All recommendations were discussed and voted on in public, during the Commission's public meetings in February and April 2011.

Improving payment accuracy and appropriate use of ancillary services

In the last decade, ancillary services have reached high levels of use, fueled at least in part by unduly high payments. The Commission's recommendations improve payment accuracy to reduce providers' financial incentives to order more ancillary services, while strengthening clinical support tools to improve appropriate use of these services.

Recommendation 1

The Secretary should accelerate and expand efforts to package discrete services in the physician fee schedule into larger units for payment.

Recommendation 2

The Congress should direct the Secretary to apply a multiple procedure payment reduction to the professional component of diagnostic imaging services provided by the same practitioner in the same session.

Recommendation 3

The Congress should direct the Secretary to reduce the physician work component of imaging and other diagnostic tests that are ordered and performed by the same practitioner.

Recommendation 4

The Congress should direct the Secretary to establish a prior authorization program for practitioners who order substantially more advanced diagnostic imaging services than their peers.

Enhancing Medicare's technical assistance to and oversight of providers

These recommendations would fundamentally restructure Medicare's Quality Improvement Organization (QIO) program. In doing so, the Commission seeks to ensure that providers whose quality of care is lagging receive well-targeted and effective technical assistance.

Recommendation 1

The Congress should redesign the current Quality Improvement Organization program to allow the Secretary to provide funding for time-limited technical assistance directly to providers and communities. The Congress should require the Secretary to develop an accountability structure to ensure these funds are used appropriately.

Recommendation 2

The Congress should authorize the Secretary to define criteria to qualify technical assistance agents so that a variety of entities can compete to assist providers and to provide community-level quality improvement. The Congress should remove requirements that the agents be physician sponsored, serve a specific state, and have regulatory responsibilities.

Recommendation 3

The Secretary should make low performing providers and community-level initiatives a high priority in allocating resources for technical assistance for quality improvement.

Recommendation 4

The Secretary should regularly update the conditions of participation so that the requirements incorporate and emphasize evidence-based methods of improving quality of care.

Recommendation 5

The Congress should require the Secretary to expand interventions that promote systemic remediation of quality problems for persistently low-performing providers.

Recommendation 6

The Secretary should establish a public recognition program for high-performing providers that participate in collaboratives or learning networks, or otherwise act as mentors, to improve the quality of lower performing providers.