

Developing payment policy to promote use of services based on clinical evidence

ISSUE: Historically, Medicare’s payment policies reflect the cost of a service, not its clinical effectiveness relative to its alternatives. Policymakers are looking for ways to better ensure that beneficiaries are getting the best value for their healthcare dollar.

KEY POINTS: At this meeting we will continue our September 2014 discussion of ways to improve the value of Medicare spending by defining payment strategies that create incentives for providers to consider comparative effectiveness evidence of drugs and other health services.

ACTION: At the November meeting, Commissioners should consider the evidence presented and discuss possible directions for the Commission’s work.

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