

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. One policy direction is to base certain fee-for-service (FFS) payment rates on comparative clinical effectiveness information.

KEY POINTS: At this meeting we will discuss the potential of improving the value of Medicare spending by linking FFS payment policies to the comparative clinical effectiveness of specified health care services.

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

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