



National Business
Coalition on Health

June 26, 2008

The Honorable Max Baucus, Chairman
Committee on Finance
United States Senate
Washington, DC 20510-6200

Dear Chairman Baucus,

In behalf of the sixty coalition members and over 10,000 employer members of the National Business Coalition on Health (NBCH), I want to thank you for the Finance Committee's consistent, strong and progressive efforts toward reforming Medicare physician services into program that is structured to reward high-quality, patient-centered care. We are particularly pleased with physician services reform provisions in both the [Medicare Improvements for Patients and Providers Act \(S. 3101\)](#), as well as the recently passed version in the House of Representatives, [the Medicare Improvements for Patients and Providers Act \(H.R. 6331\)](#). We have every confidence that you and the Senate Finance Committee members will make every effort to pass S. 3101 through the Senate in a timely fashion with the current physician quality measurement reporting and incentives, as well as the electronic prescribing implementation and reporting incentives intact.

NBCH and its member employer coalitions have a long history of value-based purchasing of health care. In fact, NBCH and many of our member coalitions have been very supportive of and engaged in the U.S. Department of Health and Human Services' (HHS) "Value-Driven Health Care Initiative." In fact, we have been working have been working closely with HHS to develop tools and resources that help purchasers understand the importance of value-driven health care and the extremely valuable role that they can play in making sure health plans and providers are giving the consumers the best care in the most efficient manner possible. We firmly believe that health care reform through value-based purchasing is the most thoughtful, prospective way to control costs, expand accessibility and improve quality and care efficiency. NBCH also believes that government, business, provider and consumer partnership and shared responsibility in this effort.

In that regard, NBCH believes that it is extremely important that Congress and this administration send a clear message to Medicare providers that arbitrary increases in reimbursements unrealistic and that payment increases must be met with performance accountability. As outlined in S. 3101 and H.R. 6331, both bills set an extremely important precedent toward the proliferation-"mainstreaming"- of provider performance

quality reporting, measurement and payment incentives. We also are pleased to see disincentives for physicians not participating in these quality improvement activities.

In closing, all of these activities employed by both the Senate Finance Committee and the Administration are an essential foundation for a successful reporting, measurement and payment system, and eventually will go a long way in supporting private sector value-based purchasing efforts. Though we want make clear the importance of working together to continue to succeed.

NBCH looks forward to working with and supporting the Finance Committee work to truly reform Medicare physician services into a program that is aligned with quality and structured to reward high-quality, efficient, patient-centered care. Again, NBCH is very appreciative of the Committee's leadership and strong support of this effort.

Sincerely,

A handwritten signature in cursive script that reads "Andrew Wilber".

President and Chief Executive Officer
National Business Coalition on Health