



June 13, 2008

Kerry N. Weems
Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Ave. SW, Room 445-G
Washington, DC 20201

RE: CMS-1390-P; Proposed Changes to the Hospital Inpatient Prospective Payment System and Fiscal Year 2009 Rates

Dear Mr. Weems:

The National Business Coalition on Health (NBCH) appreciates the opportunity to comment on the proposed changes to the Hospital Inpatient Prospective Payment System and Fiscal Year 2009 Rates. As an organization focused on increasing the ability of both purchasers and consumers to make more informed, value-based decisions about health care benefits, we are pleased with the Centers for Medicare & Medicaid Services' (CMS) efforts to create and support a performance-based health care system within Medicare. We hope that these efforts continue to set a market-based precedent for collecting, reporting and rewarding high-quality, efficient, and patient-centered care with the goal to advance our nation's entire health care system.

Relative to NBCH's mission and focus, we would like to offer comments regarding the proposed rule that address hospital acquired conditions, reporting of hospital quality data for an annual hospital payment update, and hospital value-based purchasing.

Hospital-Acquired Conditions (HACs)

The 2005 Deficit Reduction Act (DRA) required CMS to select two hospital-acquired conditions that would be subject to provider non-payment. We commend CMS for continuing to go beyond the statutory minimum of two conditions by proposing the addition of nine new HACs to the existing eight HACs for which CMS no longer provides additional payments to hospitals. Because of the considerable morbidity, mortality and staggering health care costs due to preventable hospital-acquired conditions, we strongly support imposing the risk of financial penalty to encourage hospitals to engage in better care practices. We are strongly in favor of all nine HACs listed in the proposed rule.

Reporting of Hospital Quality Data for an Annual Hospital Payment Update

NBCH strongly supports publicly reporting information that will improve care, increase patient safety, and foster high performance within the health care system and to that end we strongly support CMS pursuing the inclusion of these 43 measures in FY 2010. NBCH commends CMS for its continued efforts and progress towards the development of a comprehensive set of up-to-date quality measures for the inpatient setting. We believe the Reporting Hospital Quality Data for Annual Payment Update Program (RHQDAPU) Program measure set addresses many important areas and RHQDAPU already has demonstrated support for publicly reporting information that will improve care, increase patient safety, and foster high performance within the health care system. To that end we strongly support CMS going forward in this direction by pursuing the inclusion of the 43 inpatient performance measures in fiscal year 2010 as listed in the proposed rule.

However, NBCH does believe that there are additional measures that would further improve the RHQDAPU measure set. Specifically, in recognition of the importance of coordinating care for a single

patient across an array of providers, NBCH encourages CMS to consider take an active role in encouraging the development of measures relating to care coordination. NBCH supports consistent use and application of measures within the Medicare program. In that regard, we believe that quality measures developed as part of the RHQDAPU Program should be applied in other care settings through inclusion in the Physician Quality Reporting Initiative (PQRI) and the outpatient RHQDAPU Program measure sets. While we understand that quality measures are designed for reporting by specific types of providers and for care in specific settings, to the extent that services overlap with hospital inpatient services, we believe it makes sense for CMS' quality measures to be consistent across provider settings.

Medicare Hospital Value-Based Purchasing Plan

NBCH strongly supports the Medicare Hospital Value-Based Purchasing (VBP) program and believes it is important to ensure that the VBP framework for implementing new measures is efficient, effective and timely. Specifically, one important way to keep the process moving is to allow measures that already have been endorsed by the National Quality Forum (NQF), obviously the exception would be those with "time limited" endorsement, should not be pilot tested for application in the Hospital VBP plan. Finally, we recommend that since all the measures in the RHQDAPU have already been tested, used, and publicly reported, that there be no "transition" for those measures. They should be ready to be implemented into a new VBP framework immediately.

Again, thank you for your consideration of our comments.

Sincerely,



Andrew Webber
President & CEO