

# United States Senate

Washington, D.C. 20510

For Immediate Release

Thursday, June 30, 2005

## COMMITTEE LEADERS PROPOSE BIPARTISAN BILLS TO IMPROVE HEALTH CARE QUALITY

WASHINGTON — Four influential senators today unveiled legislation they will sponsor to improve health care in America by creating new incentives to accelerate the adoption of health information technology and to reward health care providers with higher Medicare payments if they deliver care that meets or exceeds quality expectations.

Sens. Chuck Grassley and Max Baucus will introduce the *Medicare Value Purchasing Act*, which would create quality payments under Medicare for physicians and practitioners, hospitals, health plans, skilled nursing facilities, home health, and end-stage renal disease facilities. This legislation falls within the jurisdiction of the Senate Committee on Finance, where Grassley is chairman and Baucus is ranking member. The proposal would implement recommendations from the Institute of Medicine and the Medicare Payment Advisory Commission to establish financial incentives that promote quality care and better value in the Medicare payment system.

Sens. Mike Enzi and Edward Kennedy will introduce the *Better Healthcare Through Information Technology Act*, which would provide assistance to health care providers to invest in health information technology. Utilization of such information technology is low despite estimates that \$140 billion could be saved every year if it were employed nationwide. This level of savings could cut the cost of a single family's health insurance policy by more than \$700 a year. This legislation falls within the jurisdiction of the Committee on Health, Education, Labor and Pensions, where Enzi is chairman and Kennedy is ranking member.

Comments from each of the senators about their legislation follow here.

Baucus said, "The price of health care continues to grow at an alarming rate. Getting our nation's health information network up to speed and rewarding health care organizations working to provide top-notch service to Medicare recipients will create an effective combination to help keep rising health costs at bay and improve quality. These two bills will lead to better quality, better health care coverage, and a stronger system for all."

Enzi said, "Moving from a paper-based system to secure, electronic records will reduce mistakes, save lives, time and money. Our bill will bring the government and the private sector together to make healthcare better, safer and more efficient by accelerating the adoption of information technology."

--more--

Grassley said, “These bills provide a road map for health care providers. The destination is improved quality in our health care system. We want to chart this course by tapping new information technologies and creating incentives for quality and better outcomes in the Medicare payment system. Medicare has done a very good job of providing care when it’s needed. But we need to improve how beneficiaries with chronic illnesses are treated, for example, and on a broad scale, we need to link Medicare payments with quality and efficiency. These improvements need to start small and grow over time. The end result should be a system that rewards quality care by hospitals, doctors and other health care providers. It will be a system that empowers Medicare beneficiaries to make more educated decisions about their health care. And it will be a system that gives patients the benefits of cutting edge technology such as electronic health records and prescribing systems.”

Kennedy said, “We have a moral responsibility to make the miracles of modern medicine available to every American – but we have failed to meet that responsibility. Costs are crushing our health care system. Premiums are going through the roof. The ranks of the uninsured grow every day. Families are having to choose between health care and groceries, rent, and college tuition. That’s not the American dream. We can – we must – find a better way.”