Max Baucus, Chairman

http://finance.senate.gov

For Immediate Release September 9, 2008 Contact: Erin Shields (202) 224-4515

BAUCUS LOOKS AT IDEAS FOR IMPROVING HEALTH CARE QUALITY, LOWERING COSTS THROUGHOUT THE SYSTEM

Finance Chairman calls improving quality "integral to health reform"

Washington, DC – At a Finance Committee hearing today, Chairman Max Baucus (D-Mont.) asked members of the medical care community how the health care system can do more to provide patients with more effective, higher quality care. Baucus said developing a system that reimburses doctors and other health care providers for consistently providing patients with high quality care will better treat diseases, keep patients healthier, reduce waste in the system, and save federal health care dollars. Baucus, who has been holding a year-long series of hearings and other events to prepare the Finance panel for health care reform next year, said that improving quality will be essential in reforming America's broken health care system.

"With healthcare costs growing so quickly, we simply cannot afford to continue paying for inappropriate or inadequate medical care. We need to encourage high-quality and high-value care. And we need to reward healthcare providers who deliver it," said Baucus. "We need to ask what Congress can and should do to speed quality improvement along aggressively."

Testimony from witnesses focused on ways to improve quality, including reimbursing health care providers based on quality of care provided instead of the number of patients treated. Baucus heard testimony from Dr. Gregory Schoen, a physician at the Fairview Northland Medical Center, a small rural hospital in Minnesota that participated in a federal pilot program that provided Medicare reimbursement based on quality of care. Baucus asked Dr. Schoen how to help small, rural facilities overcome the challenges they sometimes face in improving quality. Baucus also asked witnesses how to insure that federal pilot programs to improve quality – like the one Dr. Schoen participated in – and initiatives taking place throughout private health insurance market can be aligned to improve quality in the fastest and most effective manner possible. Dr. Bill Roper, the Dean of University of North Carolina School of Medicine and the CEO of University's health care system, told Baucus that all members of the health care community need to come together to create a high quality health care system.

"In short, quality doesn't happen in a vacuum and can't be accomplished alone. To truly be successful, all parts of the health care system – providers, insurers, health plans, purchasers, consumers, and government agencies – must be committing to quality care and agree to conduct measurement, report the results publicly, take action to improve, and evaluate and make mid-course corrections," Roper said.

Today's hearing, entitled "Improving Health Care Quality: An Integral Step Toward Health Reform," was the sixth in Baucus's year-long examination of health reform issues designed to prepare the panel for congressional action in 2009. Throughout 2008, Baucus has held numerous hearings, roundtables, and events, including a day-long, bipartisan summit he hosted in June with Finance Ranking Member Chuck Grassley (R-Iowa). Baucus has announced that the panel will continue its study with two additional health reform hearings this September.