

Vermont was one of eight states selected today by the federal government for a Medicare demonstration project to improve health care by basing payments to doctors and hospitals on the quality of patient care instead of the quantity of care, the state's congressional delegation announced.

Sen. Patrick Leahy (D-Vt.) said, "Vermont's selection ensures that our state will continue to lead in finding the best ways to reduce costs and keep patients healthier by doing a better job of coordinating care. These projects will help chart the way in bending the cost curve downward. We told Vermont's story often during the health bill debate, including Vermont Blueprint for Health's leadership in implementing a medical home model. This practical, real-world experience will help revolutionize health care to treat the whole patient, not just parts of the patient as through today's fragmented systems."

Sen. Bernie Sanders (I-Vt.), a member of the Senate health committee, said, "Vermont will continue to lead the way in true health reform. For the first time, Medicare, Medicaid and private insurers will work together to improve health outcomes for Vermonters. Health care providers will be rewarded for improving health, not for simply providing more care."

Rep. Peter Welch (D-Vt.), a member of the House Energy and Commerce Committee, said, "Vermont has long led the way in putting quality of care ahead of quantity of services – and putting health outcomes ahead of the fee-for-service model. Vermont's selection as part of the new demonstration project is both a recognition of our state's leadership and a chance for further health innovation and improvement."

Patterned after Vermont's Blueprint for Health, the program is designed to save money for Medicare and Medicaid while improving the quality of care.

The program is a linchpin of Vermont's health reform efforts and will expand what had been a pilot program in three communities to cover the entire state. It will be the first time that Medicare is participating in a model that includes private insurers and Medicaid.

The federal Centers for Medicare and Medicaid Services announced the launch of new

demonstration projects in Vermont and seven other states that will support efforts to better coordinate care and improve health outcomes for patients.

The other states were selected to participate in a demonstration project were Maine, Rhode Island, New York, Pennsylvania, North Carolina, Michigan, and Minnesota.