

Part B Insider (Multispecialty) Coding Alert

QUALITY: Physicians Not Ready For P4P, Senate Panel Told

Take it slow, say surgeons, while CMS introduces roadmap

The steamroller of pay for performance (P4P) keeps pushing forward, no matter what physicians do.

"Change to Medicare's payment systems is urgently needed," because the current payment system is "neutral or negative to quality," **Mark Miller**, executive director of the **Medicare Payment Advisory Commission** testified before a Senate Finance Committee hearing on July 27. In other words, providers often receive more payment if they provide bad care, because patients become sicker and need more care.

Finance Committee chair Sen. **Chuck Grassley** (R-IA) stressed the need to implement P4P for Medicare providers right away. "What we have is a systemic failure of Medicare payment systems to reward quality, and to provide incentives to invest more in health care information technology," he said in his opening statement.

But Miller and other witnesses warned that physicians may not be as ready as hospitals to embrace P4P. "Measuring physician quality is more complex than measuring quality in other settings because of the lack of data, the wide variety of specialized services, and the number of physicians," Miller stressed. He suggested that physician P4P could begin with assessing their information technology, then move on to measuring clinical processes for different diseases two or three years later.

The **Centers for Medicare & Medicaid Services** is working with the **Agency for Health Quality** to develop a "starter set" of ambulatory care quality measures that will apply to some physicians, testified **Herb Kuhn**, director of the **Center for Medicare Management** at CMS. CMS is also testing quality using the Physicians Group Practice Demonstration Project, involving ten multispecialty physician groups.

Separately, CMS released its "Quality Improvement Roadmap," which details the strategies the agency is undertaking to improve the quality of health services. These include five "system strategies," including working with providers, paying more for higher quality, and promoting information technology.

CMS will focus on specific areas, such as reducing surgical complications and improving cardiac care. The agency hopes to create performance measurement systems and expand public reporting of "expanded quality measures." To reach these goals, CMS has strengthened its Quality Council, now chaired by the CMS administrator, and formed groups to work on information technology, prevention and quality measures.