

Rural Health Care Quality Improvement Act of 2016

Senator Al Franken

This legislation seeks to improve the quality of health care provided in rural areas by calling on the Secretary of Health and Human Services to establish a core set of measures that are tailored to rural health care delivery, promoting payment reforms in rural areas, and improving rural representation in delivery system reform organizations.

Background. Medicare and other private payers have implemented new payment models to reward value over volume. The goal is to improve patient care but also lower health care costs. Nevertheless, small rural hospitals and other rural providers have been largely left out of these national quality reporting and improvement efforts. This is because rural providers face a number of challenges when trying to measure performance and improve quality, including geographic isolation, small practice size, or low case volume. This legislation takes steps to overcome these challenges so that rural providers can fully engage and evolve with the health care system as it shifts toward value.

Improving Quality of Rural Health Care. *This legislation establishes quality measures that are tailored to reflect the experience of rural communities and provides resources to support the implementation of new quality improvement initiatives.*

- Establishes core set of quality measures that focus on improving patient outcomes, increasing care coordination, improving patient safety, reducing costs in rural communities, and more.
- Requires the Secretary to review and update the core set of quality measures on an annual basis to ensure they remain reliable, scientifically valid, and appropriate for quality measurement purposes.
- Reauthorizes The Medicare Rural Hospital Flexibility Grant Program, which funds innovative initiatives that improve access to health care in rural areas and supports quality improvement efforts.
- Establishes new grant program to support Critical Access hospitals in establishing or expanding quality improvement reporting programs and to provide technical assistance to hospitals that report relevant quality data.

Rural-based payment reforms. *This legislation promotes rural innovation in payment and delivery system reform.*

- Directs the Secretary to integrate core set of rural measures into new alternative payment models and to permit rural providers to participate in new delivery reforms, including the Comprehensive Primary Care Plus model.
- Directs the Centers for Medicare and Medicaid Innovation to test new financial incentives to increase quality reporting, new value-based payment models for rural providers, and hospital readmission reduction programs for rural hospitals.

Increasing rural representation. *The legislation ensures that the Centers for Medicare & Medicaid Services (CMS) Rural Health Council includes external stakeholders who have objective rural health expertise and increases rural representation on the Medicare Payment Advisory Commission (MEDPAC) and Medicaid and CHIP Payment and Access Commission (MacPAC).*