

Medicare hospital value-based purchasing report to the Congress: Review and plan for MedPAC comment

ISSUE: As required by the Deficit Reduction Act of 2005 (DRA), the Secretary of Health and Human Services (HHS) delivered a report to Congress in late November presenting options for implementing value-based purchasing (VBP) for Medicare inpatient hospital services. The DRA also directs MedPAC to provide comments to the Congress on the Secretary's report.

KEY POINTS: Our preliminary analysis compares the key elements of the Medicare Hospital VBP report to the general and inpatient hospital-specific pay-for-performance (P4P) principles and criteria set forth by the Commission in its March 2005 and June 2007 Reports to the Congress. Overall, our analysis finds that the HHS report's recommendations are consistent with the Commission's P4P principles and criteria.

ACTION: Commissioners should review the analysis in preparation for discussing the report.

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