
SEP 23 2014

Ms. Nancy Foster
Vice President, Quality & Patient Safety Policy
American Hospital Association
325 7th Street, NW., #700
Washington, DC 20004

Dear Ms. Foster:

Thank you for your letter, expressing the American Hospital Association's (AHA) concerns, about the Centers for Medicare & Medicaid Services Quality Improvement Organization (QIO) program. As you are aware, the QIO program is one of the largest federal programs dedicated to improving health quality for Medicare beneficiaries and is an integral part of the U.S. Department of Health and Human Services' National Quality Strategy.

Beginning August 1, 2014, the Beneficiary and Family Centered Care Quality Improvement Organization (BFCC-QIO) Program was restructured from a state-based program, with an individual QIO contractor in each of the 53 states and territories, to five BFCC regional contracts covering the same 53 states and territories. Consistent with the Institute of Medicine's (IOM) 2006 report, *Medicare's Quality Improvement Organization Program: Maximizing Potential*, recommendations were taken into consideration for updating the QIO program's structure so that it can impact as many beneficiaries as possible by improving patient safety, decreasing harm, and lowering costs. CMS studied these ideas thoroughly; however, we lacked the flexibility to enact several of them because of how Medicare law was written at the time. The law was amended in 2011 by the Trade Adjustment Assistance Extension Act, which opened the possibility of re-imagining how the program operates. CMS also solicited feedback from the public about QIO Program restructuring and held a series of open-door forums about redesigning QIO Program priorities. As a result, CMS restructured its longstanding contract structure to continually meet evolving science, related to driving quality improvement and supporting the development of health care systems.

As a result of this reorganization, we have encountered several challenges that may have impacted Medicare beneficiaries and hospitals. We would like to assure you that we are aware of many of the issues you have outlined and are actively working with the BFCC-QIOs to resolve them as quickly as possible.

In your letter, you identify several operational areas of concern during the transition period such as:

- **Timely Appeal Decisions** - To facilitate timely appeal decisions, the BFCC-QIOs are hiring additional staff members to handle the large case volume demand, performing additional customer service training and increasing their information systems capacity. At this time, CMS is monitoring the BFCC-QIOs performance daily, and has identified select CMS staff to expeditiously address beneficiary and provider related issues.

Further, in recent discussions with BFCC-QIO senior executives, CMS found that there are adequate physician reviewers to complete the needed appeal review work in a timely manner. Our monitoring indicates that the timeliness of appeal decisions is steadily improving.

- **Telephone and Facsimile Access and Availability** - The BFCC-QIOs are actively addressing call center wait times through the implementation of enhanced phone triage prompts, improved phone routing, and by increasing the number of BFCC-QIO call center staff. CMS is monitoring and evaluating call center performance weekly. As these improvement strategies are applied, call wait times have decreased considerably. In addition, CMS is actively engaged in strategies to facilitate secure electronic file transfer and increased facsimile capabilities at the QIOs to expedite the receipt and review of medical records from hospitals and/or physicians.

CMS is also actively addressing various issues that have been reported following the recent migration of "My QualityNet" to the "QualityNet Secure Portal." We understand the concerns that these issues have presented; we understand that vendors and hospitals have not been able to submit and confirm that their data is accepted and accurate. CMS takes these concerns very seriously and is addressing these issues as rapidly as possible. To help alleviate some of the impact, CMS extended both Hospital Inpatient Quality Reporting and Hospital Outpatient Quality Reporting deadlines, twice, and collaborated with your association on our outreach efforts for hospitals that were at risk for non-submission. We have compiled our lessons learned from this most recent quality reporting data submission deadline, and we are detailing a quality improvement plan to assure improved outreach in the future.

In addition, CMS worked with hospitals to resolve access to specific reports. CMS received many emails indicating difficulties accessing these hospital specific reports. The Hospital Readmissions Reduction and Hospital-Acquired Condition Reduction Programs' review and correction periods began on July 21, 2014 and July 23, 2014, respectively. Due to delays in the review and correction periods, we extended the Hospital Readmission Reduction and Hospital-Acquired Condition Reduction Programs' review and correction period by another 30 days until September 22, 2014.

We greatly appreciate AHA's patience as we continue to resolve reported issues, and we regret the inconveniences that have been experienced. We remain optimistic that our mitigations and deadline extensions have provided some relief to your hospitals. We greatly appreciate your

Page 3 - Ms. Nancy Foster

personal effort in facilitating the sharing of information, and your enabling us the opportunity to more quickly assess and respond directly to concerns.

Thank you again for your collaborative spirit as we work to expedite resolution to these transitional issues. I will also provide this response to the cosigner of your letter.

Sincerely,

A handwritten signature in black ink that reads "Patrick Conway MD". The signature is written in a cursive style with a large, sweeping initial "P".

Patrick Conway, MD, MSc
Deputy Administrator for Innovation and Quality
and CMS Chief Medical Officer