

111TH CONGRESS  
1ST SESSION

# S. 441

To encourage the development of coordinated quality reforms to improve health care delivery and reduce the cost of care in the health care system.

---

## IN THE SENATE OF THE UNITED STATES

FEBRUARY 13, 2009

Mr. WHITEHOUSE (for himself, Mr. FEINGOLD, Mr. LEAHY, Mr. SANDERS, Mr. TESTER, and Ms. STABENOW) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

---

## A BILL

To encourage the development of coordinated quality reforms to improve health care delivery and reduce the cost of care in the health care system.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Quality Reform Expan-  
5       sion and Savings Act of 2009”.

6       **SEC. 2. FINDINGS AND PURPOSE.**

7       (a) FINDINGS.—Congress makes the following find-  
8       ings:

1           (1) The United States health care system ur-  
2           gently needs reform and improvement in the quality  
3           of care delivered, the prevention and detection of ill-  
4           ness, and the optimization of investment in these  
5           areas.

6           (2) The present system for payment of pro-  
7           viders for health care services often acts to deter or  
8           discourage optimal investment in prevention or qual-  
9           ity of care improvement.

10          (3) Properly tailored health care reforms can  
11          lower medical costs and improve quality of care.

12          (4) The urgent need for reform of the American  
13          health care system, to improve quality of care and  
14          health outcomes, to lower costs, and to reduce waste  
15          and frustration, is not presently met with a commen-  
16          surate national effort to design and implement those  
17          reforms.

18          (5) Many initiatives underway at the State and  
19          local level merit encouragement and support, as they  
20          depend upon and inspire mutual trust and com-  
21          promise within a community.

22          (b) PURPOSE.—It is the purpose of this Act to estab-  
23          lish a program to award grants to local, regional, or state-  
24          wide organizations to—

1           (1) encourage the coordinated development of  
2 local health care quality reforms;

3           (2) fund the development of practices beneficial  
4 to the health care system;

5           (3) expand information technology, electronic  
6 health records, and interoperable data systems in  
7 the health care system;

8           (4) develop reimbursement practices that align  
9 financial incentives with health and prevention re-  
10 forms to identify and encourage best practices;

11           (5) lower the costs of health care delivery;

12           (6) encourage reform initiatives in different re-  
13 gions of the United States; and

14           (7) reward cooperation among local entities en-  
15 gaged in reforming the health care system.

16 **SEC. 3. QUALITY REFORM GRANT INITIATIVE.**

17           (a) GRANTS.—The Secretary of Health and Human  
18 Services (referred to in this section as the “Secretary”)  
19 shall award quality reform grants to eligible entities to en-  
20 hance, encourage, and expedite implementation of quality  
21 reform plans to carry out the purposes of this Act.

22           (b) ELIGIBILITY OF STATE, LOCAL, AND REGIONAL  
23 ENTITIES.—To be eligible to receive a grant under sub-  
24 section (a), a qualifying entity shall be a State, local, or  
25 regional organization, including an organization newly

1 formed for the purpose of carrying out plans under such  
2 a grant, dedicated to improving the quality of health care  
3 through broad participation of the local health care com-  
4 munity, with a focus on quality improvement and report-  
5 ing, expansion of health information technology, cost-ef-  
6 fective prevention, and restructuring of the reimbursement  
7 system to enhance these goals.

8 (c) QUALITY REFORM COMMITTEE.—

9 (1) ESTABLISHMENT.—Not later than 180 days  
10 after the date of the enactment of this Act, the Sec-  
11 retary shall establish a Quality Reform Committee  
12 (referred to in this Act as the “Committee”) in ac-  
13 cordance with this subsection.

14 (2) MEMBERSHIP.—The Committee shall be  
15 composed of not less than 7 members, of which—

16 (A) one member shall be appointed by the  
17 Administrator of the Centers for Medicare &  
18 Medicaid Services;

19 (B) one member shall be appointed by the  
20 Director of the National Institutes of Health;

21 (C) one member shall be appointed by the  
22 Director of the Agency for Healthcare Research  
23 and Quality;

1           (D) one member shall be appointed by the  
2 National Coordinator for Health Information  
3 Technology;

4           (E) one member shall be appointed by the  
5 President of the Institute of Medicine;

6           (F) one member shall be appointed by the  
7 Secretary from among candidates recommended  
8 by the National Governors Association; and

9           (G) one member shall be appointed by the  
10 Secretary from among candidates recommended  
11 by the United States Conference of Mayors.

12 (3) GENERAL DUTIES.—The Committee shall—

13           (A) formally approve the application of an  
14 eligible entity for a grant under this section and  
15 recommend to the Secretary that such a grant  
16 be awarded to such entity;

17           (B) facilitate communication among eligi-  
18 ble entities and other organizations;

19           (C) evaluate and exchange best practices  
20 relating to activities carried out under the  
21 grants;

22           (D) share research and expertise relating  
23 to activities under the grants;

1           (E) encourage collaboration and coopera-  
2           tion with and among grantees under this sec-  
3           tion;

4           (F) recognize the achievements of grantees  
5           under this section in a public manner;

6           (G) assist grantees under this section by  
7           serving as an advocate and ombudsman to over-  
8           come bureaucratic and other obstacles within  
9           the Federal Government that hinder the  
10          achievement of this effort;

11          (H) encourage integration of activities  
12          under this section with the private sector;

13          (I) study, identify, and report on market  
14          failures and anomalies that create economic in-  
15          centives adverse to achievement of the goals of  
16          quality reform, cost reduction, health informa-  
17          tion technology expansion, and illness preven-  
18          tion;

19          (J) assist with coordinating information  
20          technology infrastructure; and

21          (K) assign personnel to serve as  
22          facilitators for local programs and as primary  
23          Federal points of contact with grantees under  
24          this section.

1           (4) PERIOD OF APPOINTMENT.—Members shall  
2           be appointed to serve for a term as determined ap-  
3           propriate by the appointing authority, as the case  
4           may be, and each member shall serve until a suc-  
5           cessor is appointed.

6           (5) CHAIRPERSON; MEETINGS.—

7           (A) CHAIRPERSON.—The Committee shall  
8           select a Chairperson from among its members.

9           (B) QUORUM.—A majority of the members  
10          of the Committee shall constitute a quorum, but  
11          a lesser number of members may hold hearings.

12          (C) MEETINGS.—Not later than 30 days  
13          after the date on which all members of the  
14          Committee have been appointed under para-  
15          graph (2), the Committee shall hold its first  
16          meeting. The Committee shall meet at the call  
17          of the Chairperson.

18          (6) POWERS.—

19          (A) HEARINGS.—The Committee may hold  
20          hearings, if determined necessary by the Com-  
21          mittee to carry out the purposes of this Act, sit  
22          and act at such times and places, take such tes-  
23          timony, and receive such evidence as the Com-  
24          mittee determines appropriate to carry out the  
25          purposes of this Act.

1           (B) ANNUAL PUBLIC MEETINGS.—In addi-  
2           tion to other meetings the Committee may hold,  
3           the Committee shall hold an annual public  
4           meeting for grantees under this section in order  
5           that grantees may report progress toward  
6           achieving the purposes in section 2(b) and in  
7           the exchange of information with one another  
8           and with the Committee.

9           (C) INFORMATION.—The Committee may  
10          obtain information directly from any Federal  
11          department or agency as the Committee deter-  
12          mines is necessary to carry out this section.  
13          Upon the request of the Chairperson of the  
14          Committee, the head of such department or  
15          agency shall furnish such information to the  
16          Committee.

17          (D) CONTRACTING.—The Committee may  
18          enter into contracts with qualified independent  
19          organizations to obtain information necessary to  
20          assist grantees with the development of best  
21          evidence-based practices and outcomes measure-  
22          ments or any other matters determined by the  
23          Committee to be appropriate and reasonable to  
24          carry out this section.



1           (E) POSTAL SERVICES.—The Committee  
2 may use the United States mails in the same  
3 manner and under the same conditions as other  
4 departments and agencies of the Federal Gov-  
5 ernment.

6           (7) PERSONNEL MATTERS.—

7           (A) COMPENSATION.—Each member of the  
8 Committee who is not an officer or employee of  
9 the Federal Government shall be compensated  
10 at a rate equal to the daily equivalent of the an-  
11 nual rate of basic pay prescribed for level IV of  
12 the Executive Schedule under section 5315 of  
13 title 5, United States Code, for each day (in-  
14 cluding travel time) during which such member  
15 is engaged in the performance of the duties of  
16 the Committee. All members of the Committee  
17 who are officers or employees of the United  
18 States shall serve without compensation in addi-  
19 tion to that received for their services as offi-  
20 cers or employees of the United States.

21           (B) TRAVEL EXPENSES.—The members of  
22 the Committee shall be allowed travel expenses,  
23 including per diem in lieu of subsistence, at  
24 rates authorized for employees of agencies  
25 under subchapter I of chapter 57 of title 5,

1 United States Code, while away from their  
2 homes or regular places of business in the per-  
3 formance of services for the Committee.

4 (C) STAFF.—The Chairperson of the Com-  
5 mittee may, without regard to the civil service  
6 laws and regulations, appoint and terminate  
7 personnel as may be necessary to enable the  
8 Committee to perform its duties.

9 (D) DETAIL OF GOVERNMENTAL EMPLOY-  
10 EES.—Any Federal Government employee may  
11 be detailed to the Committee without reim-  
12 bursement upon the request of the Committee,  
13 and such detail shall be without interruption or  
14 loss of civil service status or privilege.

15 (E) TEMPORARY AND INTERMITTENT  
16 SERVICES.—The Chairperson of the Committee  
17 may procure temporary and intermittent serv-  
18 ices under section 3109(b) of title 5, United  
19 States Code, at rates for individuals which do  
20 not exceed the daily equivalent of the annual  
21 rate of basic pay prescribed for level V of the  
22 Executive Schedule under section 5316 of such  
23 title.

24 (8) FUNDING.—For the purpose of carrying out  
25 this subsection, there are authorized to be appro-

1        priorated \$2,000,000 for fiscal year 2010 and each  
2        subsequent fiscal year.

3        (d) QUALITY REFORM PLAN.—

4            (1) IN GENERAL.—To be eligible to receive a  
5        grant under this section, an entity shall prepare and  
6        submit to the Committee, as part of the application  
7        under subsection (b), a plan to seek to improve qual-  
8        ity of care, which is encouraged to include the fol-  
9        lowing elements:

10            (A) Involvement and leadership of the local  
11        health care community in the area to be served  
12        under the grant.

13            (B) Strategies to achieve cost-saving qual-  
14        ity improvements in service delivery as a result  
15        of activities carried out under the grant.

16            (C) Development and implementation of  
17        electronic health record keeping, health infor-  
18        mation systems, interoperability, evidence-based  
19        clinical decision support, or electronic prescrip-  
20        tion of pharmaceuticals.

21            (D) Methods to optimize evidence-based in-  
22        vestment in early prevention and detection of  
23        illness.

1           (E) Restructuring of provider reimburse-  
2           ment provisions to assist in accomplishing the  
3           objectives of the plan.

4           (F) Efforts to use savings to expand health  
5           care coverage to the uninsured.

6           (2) GRANT PERIOD.—The period of a grant  
7           awarded under this section shall not exceed 2 years  
8           and may be renewed for subsequent 2-year periods  
9           upon reapplication to the Committee. Nothing in  
10          this paragraph shall be construed to prohibit a  
11          grantee from requesting an extension for a period of  
12          less than 2 years.

13          (e) WAIVERS.—A State in which a grantee under this  
14          section is located shall receive expedited and priority con-  
15          sideration of waiver requests from the Centers for Medi-  
16          care & Medicaid Services when necessary or appropriate  
17          to achieve the purposes for which the grant was awarded.

18          (f) AMOUNT OF GRANT.—The amount of a grant  
19          awarded to an entity under this section shall be deter-  
20          mined based upon the recommendations of the Committee,  
21          subject to appropriations, but is intended to be an unre-  
22          stricted grant to eligible entities with qualifying plans.

23          (g) REPORT.—

24                (1) BY ENTITIES.—An entity that is awarded a  
25          grant under this section shall submit to the Com-

1       mittee an annual report for the period representing  
2       the entity's fiscal year, that shall contain a descrip-  
3       tion of the results of activities carried out under the  
4       project.

5           (2) BY COMMITTEE.—Not later than the end of  
6       the 5-year period beginning on the date on which the  
7       first grant is awarded under this section, the Com-  
8       mittee shall prepare and submit to the appropriate  
9       committees of Congress, a report on the progress  
10      made by grantees in achieving the purposes of this  
11      Act.

12      (h) SENSE OF THE SENATE.—It is the sense of the  
13      Senate that, not later than 45 days after receiving the re-  
14      port submitted under subsection (g)(2), each Committee  
15      to which such report is submitted should hold at least 1  
16      hearing concerning such report and the recommendations  
17      contained in such report.

18      (i) AUTHORIZATION OF APPROPRIATIONS.—There  
19      are authorized to be appropriated to carry out this Act,  
20      \$100,000,000 for the 10-fiscal year period beginning in  
21      fiscal year 2010.

○