HOUSE RESEARCH

Bill Summary

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Section

1 **Payment restructuring; quality incentive payments.** Amends § 62U.02. Modifies requirements for the Statewide Quality Reporting and Measurement System (SQRMS) administered by the commissioner of health, which establishes a standard set of quality measures and reporting requirements for health care providers and facilities and health plan companies in the state.

Subd. 1. Development. Clarifies that the commissioner establishes two sets of quality measures under this section, one for health plan companies under subdivision 5 and one for health care providers. Requires that the quality measures for health care providers are:

- for physician clinics, selected from measures established in federal rule for Medicare, unless there is no measure in federal rule for a particular diagnosis, condition, service, or procedure;
- based on medical evidence (this requirement exists in current law and is being moved to this clause); and
- developed through a process in which providers participate and consumer and community input are obtained.

Allows these measures to include care infrastructure and patient satisfaction (this language is moved here from subdivision 3), and removes requirements for the initial set of measures and requirements that the measures for primary care are incorporated.

Section

Directs the commissioner to develop a measurement framework by June 30, 2018 and use that framework to update statewide measures by December 15, 2018 to assess health care provider quality. Specifies that no more than 6 statewide measures will be required for single-specialty physician practices and no more than 10 measures will be required for multi-specialty physician practices, except that additional measures may be included if they are derived from administrative claims data. Requires the measurement framework to be developed in consultation with stakeholders, and requires the framework to be reviewed at least once every 3 years. Authorizes the commissioner to require measures to be stratified by composite indices of multiple sociodemographic factors.

Subd. 2. Quality incentive payments. No amendments to this subdivision.

Subd. 3. Quality transparency. Requires the commissioner to issue periodic, rather than annual, reports on quality, and clarifies that the reports must address trends in provider quality at the statewide, regional, and community levels. Requires the reporting methods used by clinics and hospitals to include alternatives to electronic reporting. Clarifies that physician clinics and hospitals must provide the commissioner with information on the identified statewide measures. Requires the commissioner to align reporting requirements for physician clinics with the specifications and timelines for the measures selected according to subdivision 1, and allows the commissioner to develop additional data on race, ethnicity, preferred language, country of origin, or other sociodemographic factors required for stratification or risk adjustment.

Subd. 4. Contracting. No amendments to this subdivision.

Subd. 5. Implementation. Makes a clarifying change to conform with changes made in subdivision 1.

2 **Performance reporting and quality improvement system.** Amends § 256B.072. Updates a cross-reference based on an amendment in section 1.