United States Senate Committee on Finance Sen. Chuck Grassley • Iowa Ranking Member

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MEMORANDUM

- TO: Reporters and Editors
- FR: Jill Kozeny, 202/224-1308
- for U.S. Senator Chuck Grassley
- RE: Value-Based Purchasing
- DA: November 26, 2007

Senator Chuck Grassley, Ranking Member of the Committee on Finance, issued the comment below about the report released today by the Department of Health and Human Services on hospital-based value-based purchasing.

"Value-based purchasing could really transform our health care system and make the system better for patients. It means that a Medicare beneficiary would know that the quality of care he or she gets is part of the bottom line calculation the hospital is making. The way it is now, hospitals get paid by Medicare regardless, just for processing another claim. The fact is that Medicare is already far behind the private sector in rewarding quality care. Value-based purchasing is the kind of reform that every branch of our government ought to go after with full force. I introduced legislation to implement value-based purchasing in Medicare and when I chaired the Finance Committee, I worked to get included in the Deficit Reduction Act a requirement for the Secretary of Health and Human Services to come up with this detailed plan to implement by 2009 value-based purchasing with hospitals. Now that the plan is set, Congress needs to get the job done and pass additional legislation to start implementing value-based purchasing."