

**Text of Title V, Subtitle A, Section 5001(a)
of the Deficit Reduction Act of 2005 (P.L. 109-171)
REPORTING HOSPITAL QUALITY DATA
FOR ANNUAL PAYMENT UPDATE
(RHQDAPU)**

TITLE V--MEDICARE

Subtitle A--Provisions Relating to Part A

SEC. 5001. HOSPITAL QUALITY IMPROVEMENT.

(a) Submission of Hospital Data.--Section 1886(b)(3)(B) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)) is amended--

(1) in clause (i)--

(A) in subclause (XIX), by striking ``2007" and inserting ``2006"; and

(B) in subclause (XX), by striking ``for fiscal year 2008 and each subsequent fiscal year," and inserting ``for each subsequent fiscal year, subject to clause (viii),";

(2) in clause (vii)--

(A) in subclause (I), by striking ``for each of fiscal years 2005 through 2007" and inserting ``for fiscal years 2005 and 2006"; and

(B) in subclause (II), by striking ``Each" and inserting ``For fiscal years 2005 and 2006, each"; and

(3) by adding at the end the following new clauses:

``(viii)(I) For purposes of clause (i) for fiscal year 2007 and each subsequent fiscal year, in the case of a subsection (d) hospital that does not submit, to the Secretary in accordance with this clause, data required to be submitted on measures selected under this clause with respect to such a fiscal year, the applicable percentage increase under clause (i) for such fiscal year shall be reduced by 2.0 percentage points. <<NOTE: Applicability.>> Such reduction shall apply only with respect to the fiscal year involved and the Secretary shall not take into account such reduction in computing the applicable percentage increase under clause (i) for a subsequent fiscal year, and the Secretary and the

Medicare Payment Advisory Commission shall carry out the requirements under section 5001(b) of the Deficit Reduction Act of 2005.

“(II) Each subsection (d) hospital shall submit data on measures selected under this clause to the Secretary in a form and manner, and at a time, specified by the Secretary for purposes of this clause.

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“(III) The Secretary shall expand, beyond the measures specified under clause (vii)(II) and consistent with the succeeding subclauses, the set of measures that the Secretary determines to be appropriate for the measurement of the quality of care furnished by hospitals in inpatient settings.

“(IV) Effective for payments beginning with fiscal year 2007, in expanding the number of measures under subclause (III), the Secretary shall begin to adopt the baseline set of performance measures as set forth in the November 2005 report by the Institute of Medicine of the National Academy of Sciences under section 238(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

“(V) Effective for payments beginning with fiscal year 2008, the Secretary shall add other measures that reflect consensus among affected parties and, to the extent feasible and practicable, shall include measures set forth by one or more national consensus building entities.

“(VI) For purposes of this clause and clause (vii), the Secretary may replace any measures or indicators in appropriate cases, such as where all hospitals are effectively in compliance or the measures or indicators have been subsequently shown not to represent the best clinical practice.

“(VII) <<NOTE: Procedures. Public information.>> The Secretary shall establish procedures for making data submitted under this clause available to the public. Such procedures shall ensure that a hospital has the opportunity to review the data that are to be made public with respect to the hospital prior to such data being made public. <<NOTE: Reports.>> The Secretary

shall report quality measures of process, structure, outcome, patients' perspectives on care, efficiency, and costs of care that relate to services furnished in inpatient settings in hospitals on the Internet website of the Centers for Medicare & Medicaid Services."