

Below please find the January 2007 edition of *News from ORDI*, a quarterly publication from the Office of Research, Development, and Information in the Centers for Medicare & Medicaid Services. *News from ORDI* summarizes our recent work and the results we've produced. Highlights from this quarter's *News* include:

- Publication of the Fall 2006 edition of *The Health Care Financing Review*, CMS' journal of information, analysis, and research on a broad range of issues affecting the Medicare, Medicaid, and State Children's Health Insurance programs.
- Publication of the annual *Medicare & Medicaid Statistical Supplement*, CMS' authoritative publication showing health expenditures and characteristics of the entire U.S. population.
- Current and upcoming program demonstrations: ORDI is developing and managing a number of new and ongoing demonstrations for CMS, some of which are summarized below.
- Recent publications by ORDI staff in external journals: ORDI staff published their work in several prominent journals in the last quarter of 2006, including *Inquiry*, *Medical Care*, and *Annals of Internal Medicine*. These journal articles are abstracted below.
- Grant awards to sponsor research concerning vulnerable populations, emphasizing the agency's ongoing partnership with Historically Black Colleges & Universities (HBCUs) and Hispanic Serving Institutions (HSIs).

I hope you find this information useful.

Timothy P. Love
Director, Office of Research, Development & Information



1. Health Care Financing Review

Since our last newsletter, ORDI published the Fall 2006 edition of the *Health Care Financing Review*, the agency's journal of information, analysis and research on a broad range of health care financing and delivery issues. The Fall edition of the Review examines both National Health Expenditures and Home and Community-Based Services, as well as other featured articles. It is available online at:

http://www.cms.hhs.gov/HealthCareFinancingReview/09_2006%20Edition.asp#TopOfPage (There are also links on that page to previous issues.)

To request copies of the printed edition, please contact Patty Manger at 410-786-3253.

2. Health Care Financing Review Medicaid & Medicare Statistical Supplement

The 2006 edition of the *Statistical Supplement* is now available on our web site. The *Statistical Supplement* includes tables showing health expenditures for the entire U.S. population, characteristics of the covered populations, use of services, and expenditures under these programs. It is available online at:

<http://www.cms.hhs.gov/MedicareMedicaidStatSupp/LT/list.asp?filterType=dual,%20keyword&filterValue=2006&filterByDID=0&sortByDID=3&sortOrder=ascending&intNumPerPage=10>

For more information, please contact Debbie Kidd at 410-786-7204.

3. Current and Upcoming Demonstrations

ORDI is actively working to implement several new demonstrations that will test ideas to improve health care quality or reduce costs:

- **Medicare Care Management Performance Demonstration:**
The Medicare Care Management Demonstration is a 3-year demonstration that was mandated under Section 649 of the MMA to promote the use of health information technology and improve the quality of care for beneficiaries. Doctors in small- to medium-sized practices who meet clinical performance measure standards will receive a bonus payment for managing the care of eligible Medicare beneficiaries. The demonstration will be implemented in California,

Arkansas, Massachusetts, and Utah. For more information on this demonstration, please contact Jody Blatt at 410-786-6921 or visit the demonstration website:

<http://www.cms.hhs.gov/DemoProjectsEvalRpts/MD/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=3&sortOrder=ascending&itemID=CMS057286>

- **Physician Hospital Collaboration Demonstration:** CMS will utilize authority under MMA section 646 (the Medicare Health Care Quality Demonstration) to conduct the Physician Hospital Collaboration Demonstration to examine the effects of gainsharing aimed at improving the quality of care in a health delivery system. This demonstration will examine approaches that involve long-term follow-up to assure both documented improvements in quality and reductions in the overall costs of care beyond the acute inpatient stay. CMS is particularly interested in demonstration designs that track patients well beyond a hospital episode, to determine the impact of hospital-physician collaborations on preventing short and longer-term complications, duplication of services, coordination of care across settings, and other quality improvements that hold great promise for eliminating preventable complications and unnecessary costs. In the absence of this MMA authority, gainsharing is restricted by the Civil Monetary Penalty law, which prohibits hospitals from awarding physicians for reducing services to patients, even if such reductions are limited to duplicative services or otherwise represent improvements in quality. This 3-year project is expected to begin in 2007. For more information on this demonstration, please contact Lisa Waters at 410-786-6615 or visit the demonstration website:
<http://www.cms.hhs.gov/DemoProjectsEvalRpts/MD/itemdetail.asp?filterType=dual,%20keyword&filterValue=gainsharing%20&filterByDID=0&sortByDID=3&sortOrder=ascending&itemID=CMS1186653>
- **DRA Section 5007 Medicare Hospital Gainsharing Demonstration:** Section 5007 of the Deficit Reduction Act of 2005 (DRA) authorizes a gainsharing demonstration program to test and evaluate arrangements between hospitals and physicians designed improve the quality and efficiency of care provided to beneficiaries. The demonstration will allow hospitals to provide to physicians gainsharing payments that represent solely a share of the savings incurred as a result of collaborative efforts to improve overall quality and efficiency. In the absence of this DRA authority, gainsharing is restricted by the Civil Monetary Penalty law, which prohibits hospitals from awarding physicians for reducing services to patients, even if such reductions are limited to duplicative services or otherwise

represent improvements in quality. The demonstration will determine if gainsharing aligns incentives between hospitals and physicians in order to improve the quality and efficiency of inpatient care, and to improve hospital operational and financial performance. This 3-year project is expected to begin next year and end on December 31, 2009. For more information on this demonstration, please contact Lisa Waters at 410-786-6615 or visit the demonstration website:

<http://www.cms.hhs.gov/DemoProjectsEvalRpts/MD/itemdetail.asp?filterType=dual,%20keyword&filterValue=gainsharing%20&filterByDID=0&sortByDID=3&sortOrder=ascending&itemID=CMS1186805>

- **The Frontier Extended Stay Clinic Demonstration:** The Frontier Extended Stay Clinic Demonstration, mandated by section 434 of the Medicare Modernization Act, aims at certifying and allowing Medicare payment for very remote clinics. In August, CMS released a solicitation that specified health and safety rules, life safety codes, payment methodology and budget neutrality requirements for prospective sites. Applications were received at the end of November. ORDI staff are in the process of evaluating the applications and assessing budget neutrality. For more information on this demonstration, please contact Siddhartha Mazumdar at 410-786-6673 or visit the demonstration website:
<http://www.cms.hhs.gov/DemoProjectsEvalRpts/MD/itemdetail.asp?itemID=CMS061689>
- **Home Health Pay for Performance Demonstration:** ORDI has awarded a contract to Abt Associates of Cambridge, MA, to design and implement a Home Health Pay for Performance Demonstration. The contract includes analyzing existing pay for performance models and establishing the methodology to implement a pay for performance demonstration among selected home health agencies late next year. The contract runs from September 30, 2006, through March 31, 2009. For more information on this demonstration, please contact Jim Coan at 410-786-9168 or visit the demonstration website:
<http://www.cms.hhs.gov/DemoProjectsEvalRpts/MD/itemdetail.asp?filterType=dual,%20keyword&filterValue=performance&filterByDID=0&sortByDID=3&sortOrder=ascending&itemID=CMS1189406&intNumPerPage=10>

In addition, current demonstrations are providing information on how to operationalize innovative approaches:

- **Physician Group Practice Demonstration:** Medicare's Physician Group Practice Demonstration links payment to improvements in the quality and efficiency of care delivered to a Medicare fee-for-service patient population. In April 2006, CMS and

The Commonwealth Fund brought together the 10 physician organizations participating in the demonstration to discuss how they are changing physician and organizational behavior to improve patient care, identify best practice care coordination strategies for improving quality and efficiency, and exchange ideas about ways to enhance their interventions. “Medicare Physician Group Practices: Innovations in Quality and Efficiency” provides an overview of the physician groups care management strategies and discusses common themes in their approaches. For more information on this demonstration, please contact John Pilotte at 410-786-6558. The report may be accessed at the following URL:

http://www.cmwf.org/usr_doc/971_Trisolini_Medicare_physician_group_practices_i.pdf

4. Recent Publications by ORDI Staff

The following articles authored or coauthored by ORDI researchers have recently been published in journals:

- Riley, GF. “Health Insurance and Access to Care Among Social Security Disability Insurance Beneficiaries during the Medicare Waiting Period”. *Inquiry* 43(3):222-230. Fall 2006.

Description: For most Social Security Disability Insurance (SSDI) beneficiaries, Medicare entitlement begins 24 months after the date of SSDI entitlement. Many may experience poor access to health care during the 24-month waiting period because of a lack of insurance. National Health Interview Survey data for the period 1994–1996 were linked to Social Security and Medicare administrative records to examine health insurance status and access to care during the Medicare waiting period. Twenty-six percent of SSDI beneficiaries reported having no health insurance, with the uninsured reporting many more problems with access to care than insured individuals. Access to health insurance is especially important for people during the waiting period because of their low incomes, poor health, and weak ties to the workforce.

Link: <http://www.inquiryjournalonline.org/inqronline/?request=get-abstract&issn=0046-9580&volume=043&issue=03&page=0222>

For more information, contact Gerald Riley at 410-786-6699.

- Uhrig, Jennifer PhD; Bann, Carla. PhD; McCormack, Lauren A. PhD; Rudolph, Noemi MPH. “Beneficiary Knowledge of Original

Medicare and Medicare Managed Care”. *Medical Care*. 44(11):1020-1029, November 2006.

Description: *Previous research on beneficiary knowledge of the Medicare program has shown that the beneficiary population is not well informed about Medicare. The Centers for Medicare & Medicaid Services (CMS) implemented the National Medicare Education Program in 1998 to educate Medicare beneficiaries about program benefits; choices, rights, responsibilities and protections, and health behaviors.*

Link: <http://www.lww-medicalcare.com/pt/re/medcare/abstract.00005650-200611000-00009.htm;jsessionid=F2vbpXJcpGmqn1Z1Gvqyv9Kfm282VgfLGWV3S2yy7hJ56CQV9wsM!2030273863!-949856145!8091!-1>

For more information, contact Noemi Rudolph at 410-786-6662.

- Rocco MV, Frankenfield DL, Hopson SD, McClellan WM. “Relationship between Clinical Performance Measures and Outcomes among Patients Receiving Long-Term Hemodialysis.” *Ann Intern Med* 2006;145:512-519.

Description: *Patients receiving long-term hemodialysis have a yearly mortality rate of 15% to 20%. The objective is to determine whether attaining clinical performance measures for hemodialysis care is associated with favorable 12-month mortality and hospitalization rates.*

Link: <http://www.annals.org/cgi/content/abstract/145/7/512>

For more information, contact Diane Frankenfield at 410-786-7293.

5. New Final Research Reports Published

- “Profiling Physician Ordering of Selected Imaging Tests for Medicare Beneficiaries” by RTI International under CMS Contract 500-00-0030/TO001.

Description: *Despite the implementation of the Medicare physician fee schedule and the implementation of volume growth standards, the intensity of physician services per Medicare beneficiary continues to grow. CMS has been participating in public and private partnerships in addressing costs and quality of care. This study addresses*

alternative methods of profiling physician referring patterns for selected high volume imaging tests.

Link: <http://www.cms.hhs.gov/reports/downloads/Adamache.pdf>

For more information, contact Jesse Levy at 410-786-6600.

- “Program Assessment for the HBCU/Hispanic Health Services Research Grant Programs” by Susan M. Randolph, Ph.D., Randolph Associates under CMS contract HHSM-500-2005-00189P.

Description: This report summarizes the findings and lessons learned from CMS’s Historically Black Colleges and Universities (HBCUs) and Hispanic Health Services Research Grants Programs based on grants that have been awarded and activities to date. Research intervention programs carried out under these grants have reached more than 15,800 persons, and education/outreach and disease prevention programs reached close to an additional 3,000 individuals in community-based settings. These grantees have collected and disseminated important data related to the health, health care, and health behavior of the African American and Hispanic communities to the larger scientific community. Findings from these studies have demonstrated the potential to help to reduce health disparities through prevention/intervention and new ways to appreciably increase mammography, prostate screening, influenza immunization, diabetes self-management, and other preventive health outcomes in minority communities. The assessment also identifies lessons learned related to health behavioral change and engagement of ethnic minorities in the health care system.

Link: <http://www.cms.hhs.gov/reports/downloads/Randolph.pdf>

For more information, contact Richard Bragg at 410-786-7250.

- “Impact of Increased Financial Incentives to Medicare Advantage Plans” by RTI International under CMS Contract 500-00-0024/17.

Description: According to this study, the additional funding provided under Balanced Refinement Act of 1999 and Benefits Improvement Protection Act of 2000 were short-term or temporary increases that had little effect on Medicare Advantage (MA) plan availability or benefits. With few exceptions, increasing plan availability, lowering premiums and increasing benefits did not occur until passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), with its permanent restructuring of the program under

the MA program. Under the MMA, the availability of MA plans improved substantially, premiums and beneficiary cost sharing were lowered, and drug benefits improved.

Link: <http://www.cms.hhs.gov/reports/downloads/Pope.pdf>

For more information, contact Victor McVicker at 410-786-6681.

6. New Historically Black Colleges and Universities (HBCU) and Hispanic Grants Awarded

HBCU Grants (Historically Black Colleges and Universities)

The purpose of the Centers for Medicare & Medicaid Services' Historically Black Colleges and Universities (HBCUs) Health Services Research Grant Program is to support HBCU researchers in carrying out health services research activities to meet the needs of diverse CMS beneficiary populations. This is the 10th year for the grant program.

Recently, two new HCBE grants have been awarded:

- *Promoting Diabetes Self-Management Among African Americans: An Educational Intervention in Prince George's County, Maryland (Bowie State University, Bowie, Maryland, September 30, 2006-September 29, 2008)*
Award No: 1I0CMS300099/01
PI - Eleanor Walker, Ph.D., RN
- *The Fayetteville Area Inter-Faith Commitment to Colorectal Health Awareness and Cancer Reduction in African Americans (Fayetteville State University, Fayetteville, North Carolina, September 30, 2006-September 29, 2008)*
Award No. 1I0CMS300100/01
PI - Phyllis Denise Morgan, Ph.D.

Hispanic Grants

The purpose of the Centers for Medicare & Medicaid Services' Hispanic Grant Program is to implement Hispanic American health services research activities to meet the needs of diverse CMS beneficiary populations. This is the 8th year for the grant program.

Recently, two new Hispanic grants have been awarded:

- *A Promotora Health Education Model for Improving Latino Health Access in Central California* (**University of California San Francisco, September 30, 2006-September 29, 2008**)
Award No. 1H0CMS300102/01
PI - Katherine A. Flores, M.D.
- *The Impact of a Culturally Oriented Low Health Literacy Education on Diabetes Related Knowledge and Self-Care Behavior in Hispanics with Diabetes* (**University of Massachusetts-Boston, September 30, 2006-September 29, 2008**)
Award No. 1H0CMS300101/01
PI - Dharma Cortes, Ph.D.

For additional information, please contact Richard Bragg at 410-786-7250.

7. CMS Poster Sessions at the American Society of Nephrology Meeting

The American Society of Nephrology is described as “a nonprofit corporation to enhance and assist the study and practice of nephrology, to provide a forum for the promulgation of research, and to meet the professional and continuing education needs of its members.” Renal Week 2006 was “the largest nephrology meeting of its kind” and drew approximately 10,000 nephrologists to reveal the latest findings in renal research and in the care of patients with kidney and related disorders.

Link: <http://www.cms.hhs.gov/ResearchGenInfo/downloads/Asnm.pdf>

For additional information, please contact Diane Frankenfield at 410-786-7293.

Previous Listserv newsletters are available at:

https://list.nih.gov/cgi-bin/wa?S2=CMS_RESEARCH&X=-&q=%22Director%2C+Office+of+Research%2C+Development%2C+and+Information%22&s=&f=&a=&b=&l=-3&X=6380943FDF115AA768]

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https://list.nih.gov/cgi-bin/wa?SUBED1=cms_research&A=1

More information on research activities at CMS is always available at:

<http://www.cms.hhs.gov/researchers>