(2) Report.—Not later than January 1, 2012, the Secretary shall submit to Congress a report containing the results of the study conducted under paragraph (1), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

PART 2—NATIONAL STRATEGY TO IMPROVE HEALTH CARE QUALITY

SEC. 3011. NATIONAL STRATEGY.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

“PART S—HEALTH CARE QUALITY PROGRAMS

“Subpart I—National Strategy for Quality Improvement in Health Care

“SEC. 399HH [42 U.S.C. 280j]. NATIONAL STRATEGY FOR QUALITY IMPROVEMENT IN HEALTH CARE.

“(a) Establishment of National Strategy and Priorities.—

“(1) National strategy.—The Secretary, through a transparent collaborative process, shall establish a national strategy to improve the delivery of health care services, patient health outcomes, and population health.

“(2) Identification of priorities.—

“(A) In general.—The Secretary shall identify national priorities for improvement in developing the strategy under paragraph (1).

“(B) Requirements.—The Secretary shall ensure that priorities identified under subparagraph (A) will—

“(i) have the greatest potential for improving the health outcomes, efficiency, and patient-centeredness of health care for all populations, including children and vulnerable populations;

“(ii) identify areas in the delivery of health care services that have the potential for rapid improvement in the quality and efficiency of patient care;

“(iii) address gaps in quality, efficiency, comparative effectiveness information (taking into consideration the limitations set forth in subsections (c) and (d) of section 1182 of the Social Security Act), and health outcomes measures and data aggregation techniques; [As revised by section 10302]

“(iv) improve Federal payment policy to emphasize quality and efficiency;

“(v) enhance the use of health care data to improve quality, efficiency, transparency, and outcomes;

“(vi) address the health care provided to patients with high-cost chronic diseases;

“(vii) improve research and dissemination of strategies and best practices to improve patient safety and
reduce medical errors, preventable admissions and re-admissions, and health care-associated infections;

“(viii) reduce health disparities across health disparity populations (as defined in section 485E) and geographic areas; and

“(ix) address other areas as determined appropriate by the Secretary.

“(C) CONSIDERATIONS.—In identifying priorities under subparagraph (A), the Secretary shall take into consideration the recommendations submitted by the entity with a contract under section 1890(a) of the Social Security Act and other stakeholders.

“(D) COORDINATION WITH STATE AGENCIES.—The Secretary shall collaborate, coordinate, and consult with State agencies responsible for administering the Medicaid program under title XIX of the Social Security Act and the Children's Health Insurance Program under title XXI of such Act with respect to developing and disseminating strategies, goals, models, and timetables that are consistent with the national priorities identified under subparagraph (A).

“(b) STRATEGIC PLAN.—

“(1) IN GENERAL.—The national strategy shall include a comprehensive strategic plan to achieve the priorities described in subsection (a).

“(2) REQUIREMENTS.—The strategic plan shall include provisions for addressing, at a minimum, the following:

“(A) Coordination among agencies within the Department, which shall include steps to minimize duplication of efforts and utilization of common quality measures, where available. Such common quality measures shall be measures identified by the Secretary under section 1139A or 1139B of the Social Security Act or endorsed under section 1890 of such Act.

“(B) Agency-specific strategic plans to achieve national priorities.

“(C) Establishment of annual benchmarks for each relevant agency to achieve national priorities.

“(D) A process for regular reporting by the agencies to the Secretary on the implementation of the strategic plan.

“(E) Strategies to align public and private payers with regard to quality and patient safety efforts.

“(F) Incorporating quality improvement and measurement in the strategic plan for health information technology required by the American Recovery and Reinvestment Act of 2009 (Public Law 111–5).

“(c) PERIODIC UPDATE OF NATIONAL STRATEGY.—The Secretary shall update the national strategy not less than annually. Any such update shall include a review of short- and long-term goals.

“(d) SUBMISSION AND AVAILABILITY OF NATIONAL STRATEGY AND UPDATES.—

“(1) DEADLINE FOR INITIAL SUBMISSION OF NATIONAL STRATEGY.—Not later than January 1, 2011, the Secretary shall sub-
mit to the relevant committees of Congress the national strategy described in subsection (a).

"(2) UPDATES.—

"(A) IN GENERAL.—The Secretary shall submit to the relevant committees of Congress an annual update to the strategy described in paragraph (1).

"(B) INFORMATION SUBMITTED.—Each update submitted under subparagraph (A) shall include—

"(i) a review of the short- and long-term goals of the national strategy and any gaps in such strategy;
"(ii) an analysis of the progress, or lack of progress, in meeting such goals and any barriers to such progress;
"(iii) the information reported under section 1139A of the Social Security Act, consistent with the reporting requirements of such section; and
"(iv) in the case of an update required to be submitted on or after January 1, 2014, the information reported under section 1139B(b)(4) of the Social Security Act, consistent with the reporting requirements of such section.

"(C) SATISFACTION OF OTHER REPORTING REQUIREMENTS.—Compliance with the requirements of clauses (iii) and (iv) of subparagraph (B) shall satisfy the reporting requirements under sections 1139A(a)(6) and 1139B(b)(4), respectively, of the Social Security Act.

"(e) HEALTH CARE QUALITY INTERNET WEBSITE.—Not later than January 1, 2011, the Secretary shall create an Internet website to make public information regarding—

"(1) the national priorities for health care quality improvement established under subsection (a)(2);
"(2) the agency-specific strategic plans for health care quality described in subsection (b)(2)(B); and
"(3) other information, as the Secretary determines to be appropriate."

SEC. 3012 [42 U.S.C. 280j note]. INTERAGENCY WORKING GROUP ON HEALTH CARE QUALITY.

(a) IN GENERAL.—The President shall convene a working group to be known as the Interagency Working Group on Health Care Quality (referred to in this section as the "Working Group").

(b) GOALS.—The goals of the Working Group shall be to achieve the following:

(1) Collaboration, cooperation, and consultation between Federal departments and agencies with respect to developing and disseminating strategies, goals, models, and timetables that are consistent with the national priorities identified under section 399HH(a)(2) of the Public Health Service Act (as added by section 3011).

(2) Avoidance of inefficient duplication of quality improvement efforts and resources, where practicable, and a streamlined process for quality reporting and compliance requirements.

(3) Assess alignment of quality efforts in the public sector with private sector initiatives.
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(c) Composition.—

(1) In general.—The Working Group shall be composed of senior level representatives of—

(A) the Department of Health and Human Services;
(B) the Centers for Medicare & Medicaid Services;
(C) the National Institutes of Health;
(D) the Centers for Disease Control and Prevention;
(E) the Food and Drug Administration;
(F) the Health Resources and Services Administration;
(G) the Agency for Healthcare Research and Quality;
(H) the Office of the National Coordinator for Health Information Technology;
(I) the Substance Abuse and Mental Health Services Administration;
(J) the Administration for Children and Families;
(K) the Department of Commerce;
(L) the Office of Management and Budget;
(M) the United States Coast Guard;
(N) the Federal Bureau of Prisons;
(O) the National Highway Traffic Safety Administration;
(P) the Federal Trade Commission;
(Q) the Social Security Administration;
(R) the Department of Labor;
(S) the United States Office of Personnel Management;
(T) the Department of Defense;
(U) the Department of Education;
(V) the Department of Veterans Affairs;
(W) the Veterans Health Administration; and
(X) any other Federal agencies and departments with activities relating to improving health care quality and safety, as determined by the President.

(2) Chair and Vice-Chair.—

(A) Chair.—The Working Group shall be chaired by the Secretary of Health and Human Services.

(B) Vice Chair.—Members of the Working Group, other than the Secretary of Health and Human Services, shall serve as Vice Chair of the Group on a rotating basis, as determined by the Group.

(d) Report to Congress.—Not later than December 31, 2010, and annually thereafter, the Working Group shall submit to the relevant Committees of Congress, and make public on an Internet website, a report describing the progress and recommendations of the Working Group in meeting the goals described in subsection (b).

SEC. 3013. QUALITY MEASURE DEVELOPMENT.

(a) Public Health Service Act.—Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended—

(1) by redesignating part D as part E;
(2) by redesignating sections 931 through 938 as sections 941 through 948, respectively;
(3) in section 948(1), as so redesignated, by striking “931” and inserting “941”; and
(4) by inserting after section 926 the following:

**“PART D—HEALTH CARE QUALITY IMPROVEMENT**

**“Subpart I—Quality Measure Development**


“(a) Quality Measure.—In this subpart, the term 'quality measure' means a standard for measuring the performance and improvement of population health or of health plans, providers of services, and other clinicians in the delivery of health care services.

“(b) Identification of Quality Measures.—

“(1) Identification.—The Secretary, in consultation with the Director of the Agency for Healthcare Research and Quality and the Administrator of the Centers for Medicare & Medicaid Services, shall identify, not less often than triennially, gaps where no quality measures exist and existing quality measures that need improvement, updating, or expansion, consistent with the national strategy under section 399HH, to the extent available, for use in Federal health programs. In identifying such gaps and existing quality measures that need improvement, the Secretary shall take into consideration—

“(A) the gaps identified by the entity with a contract under section 1890(a) of the Social Security Act and other stakeholders;

“(B) quality measures identified by the pediatric quality measures program under section 1139A of the Social Security Act; and

“(C) quality measures identified through the Medicaid Quality Measurement Program under section 1139B of the Social Security Act.

“(2) Publication.—The Secretary shall make available to the public on an Internet website a report on any gaps identified under paragraph (1) and the process used to make such identification.

“(c) Grants or Contracts for Quality Measure Development.—

“(1) In General.—The Secretary shall award grants, contracts, or intergovernmental agreements to eligible entities for purposes of developing, improving, updating, or expanding quality measures identified under subsection (b).

“(2) Prioritization in the Development of Quality Measures.—In awarding grants, contracts, or agreements under this subsection, the Secretary shall give priority to the development of quality measures that allow the assessment of—

“(A) health outcomes and functional status of patients;

“(B) the management and coordination of health care across episodes of care and care transitions for patients across the continuum of providers, health care settings, and health plans;