



TEACHING HOSPITALS of TEXAS

THOT Members

AUSTIN
Central Health
Seton Healthcare Family

CORPUS CHRISTI
CHRISTUS Spohn Health System
Nueces County Hospital District

DALLAS
Children's Health System of
Texas
Parkland Health & Hospital
System
The University of Texas
Southwestern Medical Center

EL PASO
University Medical Center
of El Paso

FORT WORTH
JPS Health Network

GALVESTON
The University of Texas
Medical Branch

HOUSTON
Harris Health System
The University of Texas MD
Anderson Cancer Center

LUBBOCK
UMC Health System of Lubbock

MIDLAND
Midland Memorial Hospital

ODESSA
Medical Center Health System

SAN ANTONIO
University Health System

TYLER
UT Health Northeast

What brings us together -- We share a commitment to:

- *Support access to care for all in our communities with a special focus on vulnerable populations;*
- *Provide and coordinate essential community health services such as trauma and disaster management;*
- *Prepare for the future by training tomorrow's healthcare providers and supporting research and healthcare transformation.*

February 18, 2016

Dear Chair Handal and Members of the Committee:

My name is Maureen Milligan; I am the President and CEO of Teaching Hospitals of Texas (THOT). Thank you for the opportunity to provide comments today regarding proposed rules relating to hospital quality incentive payments for safety-net providers.

First I would like to thank the Health and Human Services Commission and their team for their efforts to reach out to the hospital community to share information and incorporate feedback in advance of this meeting, and throughout the process of developing these quality incentive payments. We would also like to express appreciation for the proposed ability for a hospital to request data used to determine penalties and incentive payments. It is critical for hospitals to be able to obtain actionable information in order to target efforts to improve quality, and improve performance on these measures.

Our 17 members include large urban and mid-sized public hospitals, four University of Texas health systems, Children's Hospitals and several affiliated non-profit health systems. THOT members share a mission with three core objectives: supporting access to quality care for all with a special focus on vulnerable populations; providing and coordinating essential community health services such as trauma and disaster management; and preparing for the future by training tomorrow's healthcare providers and supporting health research and healthcare transformation.

Our members are committed to providing quality care, and we support paying for quality. There are however some methodological and data issues raised by the potentially preventable event methodology. It is important that the measures and data used support accurate measures of hospital quality. There are a growing number of studies pointing to the impact of socioeconomic factors on quality outcomes in particular related to potentially preventable readmissions. Therefore, we support the concern expressed by one of the Hospital Payment Advisory Committee members, that these measures may include an inherent bias against the very providers that the funds were initially intended to support.

As a long term strategy we would encourage the commission to seek out opportunities to identify additional sources of quality measurement, and specifically measurements that focus on clinical outcome measures, as opposed to claims based process measures, to truly gauge the quality status of participating hospitals and steps that can be taken to improve quality outcomes.

As a short-term step we would ask that each measure be considered independently so that an entity performing well in one area can be rewarded for that good work, and do not penalize strong performers in one category due to their performance in another category.

Thank you for your time and interest in this topic, and I look forward to continued work with the committee, the commission, and the hospital industry as we move forward.

Sincerely

A handwritten signature in black ink, appearing to read 'MM', with a stylized, flowing script.

Maureen Milligan
President & CEO
Teaching Hospitals of Texas