

The Daily Dish

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According to Reuters, the much-anticipated Energy Information Administration report on oil exports will say that lifting the 1970s ban on crude exports will not raise prices for consumers. The EIA chief hopes to release the report before November 4. The EIA report will come on the heels of the United States passing Saudi Arabia as the world's largest petroleum producer.

Taxpayer data is at risk through the Obamacare state exchanges according to a new audit by the Treasury Department's inspector general. In order to calculate tax credits, the IRS shares certain information with the state exchanges. The inspector general said, "The IRS must do more to ensure that federal tax information submitted to the ACA exchanges is protected and prevent its unauthorized disclosure."

Eakinomics: Transforming Physician Practice

Yesterday Secretary Burwell of Health and Human Services (HHS) announced her intention to spend nearly \$1billion (\$840 million) over the next four years on the Transforming Clinical Practice Initiative. This is notable not for the money — the Obama Administration is the gold standard in spending — but rather its stated objective: "to help clinicians achieve large-scale health transformation. The initiative is designed to support 150,000 clinician practices over the next four years in sharing, adapting and further developing their comprehensive quality improvement strategies."

That is a laudable goal. Transforming the practice of medicine to deliver higher quality outcomes at lower cost has always been (along with more affordable insurance options) on standard for successful health care reform. Perhaps the money *will* "award cooperative agreement funding to successful applicants who have pre-existing relationships with multiple clinician practices (primary care and/or specialists) that include data sharing capabilities. Successful applicants will collaboratively lead clinicians and their practices through the transformation process, achieve the initiative's goals, and ensure that clinicians and their practices can maintain and sustain these activities in a dynamic care delivery system." Whatever that means.

But I'm not so sure.

The pre-eminent delivery systems like the Mayo Clinic have tremendous investments in sharing data among its care providers, streamlining processes, improving the patient experience, and measuring the quality of outcomes for a simple reason: it is how they make money. Care is appropriate, costs are contained, and patients like coming back. It works because the practice of medicine is intimately tied to the payment system. They did not have to be bribed into investing in data-sharing or transforming their practice because it was good business to do so.

My fear is that the Initiative will be a boondoggle for well-connected consultants, deliver lots of advice on quality metrics and data sharing, but *not* transform the actual practice of medicine because it is not sufficiently tied to the payment and reimbursement system. In the end, it is not the transformation of the practice of medicine that matters. It is the transformation of the business of medicine that is crucial.

From the Forum

CMS is at it Again...Increasing Rx Costs for Seniors by Douglas Holtz-Eakin, AAF President; and Angela Boothe, AAF Health care Policy Analyst

Budget Reconciliation in a Divided Government by Gordon Gray, AAF Director of Fiscal Policy