

March 24, 2025

Mehmet Cengiz Oz, MD, MBA
Nominee for Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services

Dear Dr. Oz,

On behalf of <u>The Leapfrog Group</u>, I am writing to congratulate you on your testimony and your strong and persuasive statements on health care transparency. We applaud your assertion that "the most expensive care we give is bad care." A corollary is a phrase we repeat often at Leapfrog: "there is no good price for bad care." Leapfrog fully and wholeheartedly supports price transparency, as long as it is coupled with quality transparency. A low-priced surgery is not a bargain when the hospital has a high rate of complications.

Leapfrog is an independent national nonprofit founded by the Business Roundtable and employers including GM, Boeing, Marriott and others, with a mission to improve the quality of American health care through a transparent marketplace. We work closely with CMS on behalf of our employer constituents and patient advocates to expand transparency, particularly around patient safety and quality of care at hospitals and ambulatory surgery centers. CMS has had a designated nonvoting liaison seat on our board since our founding 25 years ago.

We are best known for the <u>Leapfrog Hospital Safety Grade</u>, a letter grade we assign to all general hospitals every six months on how safe they are for patients. We use mostly CMS patient safety data for that Grade. We are also one of the only organizations aside from CMS that collects data from hospitals and ambulatory surgery centers on measures of quality and safety that are important to employers and the public.

We have suggestions for your consideration as you pursue your goals for CMS transparency. These include:

- Expand CMS quality reporting on outpatient hospital surgery units and ambulatory surgery centers, as well as other settings with little or no quality data such as urgent care centers;
- Report quality and safety of facilities serving Medicare Advantage beneficiaries; currently they are exempt, so CMS reports on fee-for-service beneficiaries only;
- Support preservation of the National Healthcare Safety Network (NHSN), a part of CDC that works with all state health departments to report patient safety indicators like healthcare-associated infections, which is used by CMS in public reporting;
- Strengthen CMS' approach to never events and align with Leapfrog's policy, which is endorsed by hundreds of large employers;
- Accelerate CMS' work on reporting on patient-reported experience and outcomes, and use of EMR data for quality reporting
- Report results from all federal hospital programs by bricks-and-mortar facility. Currently CMS reports by CMS Certification Number and that can include whole hospital systems reported as one rate.

Employers and their employees and families pay for almost one third of U.S. health costs. As Leapfrog plans to release in a report this year, employers are seeing significant improvements long considered impossible, including significant declines in some deadly errors and accidents. We attribute that progress to transparency. But it's only the beginning; patient safety remains the third leading cause of death in the U.S. With leadership from CMS and continuing effort from employers, we can accelerate that change.

We would appreciate the opportunity to meet with you once you are on board at CMS. We can preview highlights of our report on the value of transparency, and discuss our recommendations for accelerating improvements in the quality, safety and affordability of U.S. health care.

We thank you for your bold leadership and look forward to working with you.

Sincerely,

Leah Binder, M.A., M.G.A

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President & Chief Executive Officer

The Leapfrog Group