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Summary of FairCare Legislation

There is a well-documented pattern of healthcare disparities among racial and ethnic minorities. Studies have shown that these groups are less likely to receive regular medical care or preventive screenings and education. Even minorities with insurance and access to high quality healthcare institutions can fall prey to inadequate care. Minority patients also report higher rates of miscommunication with providers, and language and health literacy barriers further complicate physician comprehension.

Disparities in care are an indication of a much more pervasive problem with healthcare quality. A study in the New England Journal of Medicine recently reported that fewer than 55% of all patients receive the appropriate care. Getting the right treatment should not be a matter of luck.

The Faircare Initiative aims to approach the disparity question from one of overall quality of care. By establishing quantifiable standards of treatment for all patients and providing financial incentives for meeting these standards, Faircare can help raise the quality and consistency of care for all. By improving measurement of health care disparities and healthcare quality, Faircare enables researchers and government officials to identify the areas of greatest need, and by expanding the REACH 2010 grant program, Faircare brings communities into the healthcare discussion in new ways to erase disparities and increase quality.

The Faircare initiative includes the following measures:

- Creates a uniform demographic collection mechanism across federally funded health-related programs. There is no consistent system-wide method to collect demographic information on healthcare consumers, making it impossible to analyze and compare programs. The Faircare initiative will standardize data collection in federally funded health programs to provide a foundation for further research on healthcare quality and disparities.

- Creates grants for data collection, quality improvement, and disparity reduction. Faircare will ensure that hospitals and community health centers have the resources necessary to engage in the structural adjustments required to expand data collection. It will also seek to educate the public about the value of demographic data in quality improvement and disparity reduction efforts.
- Expands the measurement, collection and analysis of quality data. Building upon the work of the Institute of Medicine (IOM), Faircare directs the Agency for Healthcare Research and Quality (AHRQ), in consultation with relevant government entities, to design new measures for quality in healthcare delivery and establish methods by which these quality measures can be evaluated for effectiveness. It also establishes an Advisory Committee on Quality, consisting of government officials and nonprofit, public and private stakeholders.
- Establishes an Office of National Healthcare Disparities and Quality. This office, located within AHRQ, will oversee the development and expansion of the National Healthcare Disparities Report and the National Healthcare Quality Report. It will also oversee development and dissemination of Best Practices information for healthcare providers that wish to improve quality and reduce disparities in care.
- Creates Faircare designations and incentives for high-performing or improving health care institutions. Hospitals and community health centers that reduce disparities in care and increase consistent high quality care to all patients will be designated as Faircare Institutions. Such a designation makes these institutions eligible for increased Medicare reimbursements, for hospitals, and grants, for health centers.
- Expands the REACH 2010 Community Grant Program. The REACH 2010 grant program helps health care providers and communities work together to eliminate disparities and improve the quality of care for all residents. The REACH 2010 program will receive a congressional mandate and expand its services nationwide to help healthcare institutions and their communities establish programs to improve quality and reduce disparities.

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