

# Evidence-Based Medicine and Medicare: Good News/Bad News

Professor Susan Bartlett Foote  
University of Minnesota  
MTLF/IHP Forum – June 5-6, 2008  
San Francisco

“Implementing Evidence-  
Based Medicine Through  
Medicare Coverage  
Decisions”

Foote & Town

Health Affairs

Nov/Dec 2007



“The Impact of Medicare  
Coverage Policies on  
Health Care Utilization”

Foote, et al.

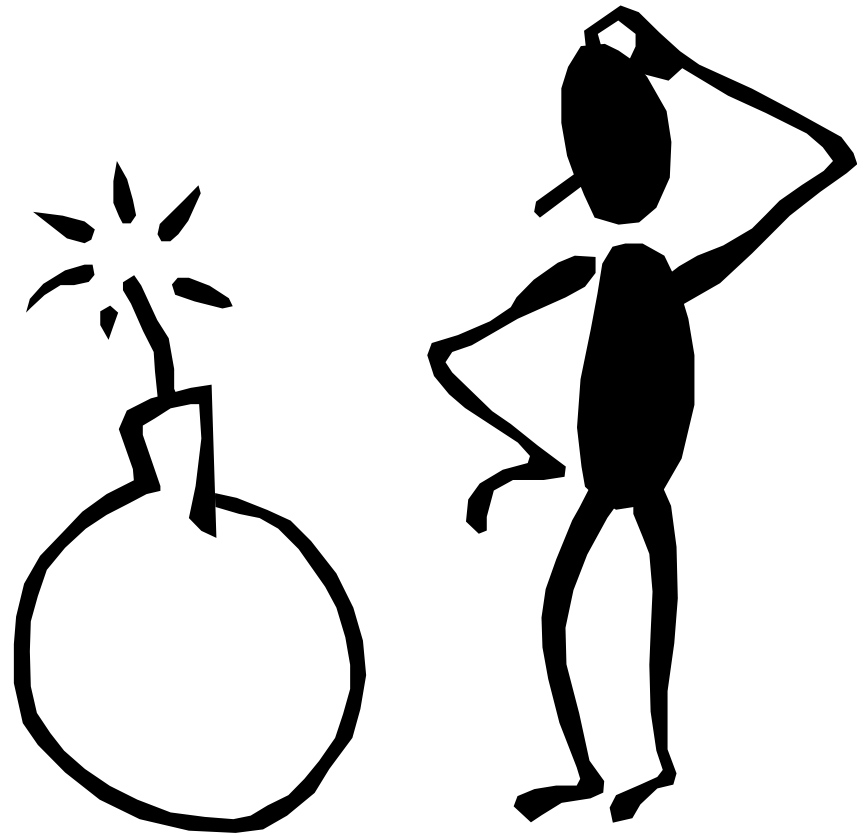
Forthcoming,  
Health Services Research

August 2008



# Re: Medicare Coverage and Payment Rules:

“Among the most  
completely  
impenetrable  
texts within human  
experience.” Rehab.  
Assn. of Virginia Inc. v.  
Kozlowski (4<sup>th</sup> Cir.  
1994)



# Medicare's Legal Authority for Coverage

## Section 1862(a)(1)(A)

No reimbursement for item or service, “which, except for items and services described in a succeeding subparagraph, are not reasonable and necessary for the diagnosis and treatment of illness or injury or to improve the function of a malformed body member,”

# Overview

- What is a coverage policy?



# Two Pathways—Local & National

Local-LCD

National-NCDs

Both administered and implemented by the local contractors (MACs)



# Coverage Criteria

- Sufficient level of confidence that evidence is adequate to conclude that the item or service:
  - improves net health outcomes
  - generalizable to the Medicare population
  - generalizable to general provider community
- Evidence assessed using standard
- principles of EBM



# The Good News....

- Increasing use of evidence in policy development
- Clearer process of development
- MCAC becomes MedCAC
- CED – coverage with evidence development
- Contractor reform for LCDs

# The Bad News....

- Empirical findings – little or no evidence that coverage policies change behavior
- Policy findings – institutional barriers
  - information limitations
  - lack of incentives to enforce
  - lack of intent to enforce

# Making Medicare Coverage Work?

- Improve information
- Invest in compliance
- Improve education
  
- OR,
- lessons from private health plans?
- admit defeat and move to other tools