

What is a Qualified Entity (QE)?

A “Qualified Entity or QE” is an organization approved by the Centers for Medicare & Medicaid Services (CMS) to produce performance reports on the quality and efficiency of health care providers and suppliers. The QE program was authorized by the Patient Protection and Affordable Care Act (ACA) to encourage provider performance measurement and public reporting using Medicare claims data and private payer claims data (e.g. health care billing information that is submitted for reimbursement). Greater availability of provider and supplier performance information is intended to drive improvements in the quality and efficiency of health care delivery while lowering the rate of cost growth, empower consumers to make more informed decisions about their health care, and encourage payers to financially or otherwise incentivize higher performing providers and suppliers and consumers who choose them.

A QE may either be a public or private organization and must meet the following organizational and governance requirements:¹

- Demonstrate relevant expertise and capability to use public and private payer claims data to evaluate the performance of providers and suppliers based on quality, efficiency, effectiveness, and resource use and produce and release performance reports to the public;
- Enter into a data use agreement with CMS that governs the QEs use of Medicare claims data to generate performance reports;
- Pay a cost-based fee for the Medicare claims data;
- Request and receive data for one or more geographic areas;
- Submit to CMS for approval, a list of the performance measures it intends to calculate and report and the methodologies used to evaluate the performance of providers and suppliers in a selected geographic area;
- Combine claims data from other sources (e.g., private payer, Medicaid) with Medicare data to calculate the performance measures;
- Use valid and reliable measures for evaluating provider and supplier performance; and
- Produce aggregated reports on providers and supplies that participate in the Medicare program and make them publicly available.

CMS requires all QEs to have robust privacy and security protections in place to ensure the privacy and security of the individually identifiable patient claims data QEs receive and use to generate performance measurement reports. These requirements are included in the data use agreement noted above. Furthermore, QEs must ensure that the provider and supplier performance reports that are released to the public do not include any individually identifiable patient information. Currently, QEs may not sell provider and supplier performance reports for profit or generate non-public reports for sale (e.g., a specialized report for a particular health plan or provider group).

As of April 2014, there are 12 certified qualified entities throughout the country. A list of the QEs can be found [here](#).²

The website content and products published at www.HealthInfoLaw.com are intended to convey general information only and do not constitute legal counsel or advice. Use of site resources or documents does not create an attorney-client relationship.

For more information on state and federal laws related to Resource Use Measurement and Reporting, see <http://www.healthinfo.org/topics/66>. For more information about Quality Measurement and Reporting, see <http://www.healthinfo.org/topics/65>. Follow us on Twitter at [@HealthInfoLaw](https://twitter.com/HealthInfoLaw)

¹ 42 C.F.R. § 401.703(a).

² [List of Certified Qualified Entities: http://cms.hhs.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/QEMedicareData/index.html](http://cms.hhs.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/QEMedicareData/index.html).

The website content and products published at www.HealthInfoLaw.com are intended to convey general information only and do not constitute legal counsel or advice. Use of site resources or documents does not create an attorney-client relationship. No warranty is made with respect to information provided on the site or links to third-party resources.