

CHARTER

MEDICARE ECONOMIC INDEX TECHNICAL ADVISORY PANEL

Authority

The Medicare Economic Index Technical Advisory Panel is established by the Secretary of the Department of Health and Human Services under 42 U.S.C. § 217a and is governed by the provisions of the Federal Advisory Committee Act, P.L. 92-463 (Oct. 6, 1972), as amended, 5 U.S.C. App.

Objective and Scope of Activities

The Panel shall conduct a technical review of the Medicare Economic Index (MEI), including the inputs, input weights, price-measurement proxies, and productivity adjustment. The Panel will be asked to assess the relevance and accuracy of these inputs to current physician practices. The Panel's analysis and recommendations will be considered for future rule making to ensure that the MEI accurately and appropriately meets its intended statutory purpose. The panel will not consider issues such as replacing the price index with a cost index, or other issues that lie outside the limits of the Centers for Medicare & Medicaid Services' statutory authority, such as replacing the Sustainable Growth Rate (SGR) formula with the MEI.

Following the technical review meeting(s), the Panel shall issue a report that summarizes its recommendations for the Medicare Economic Index.

Description of Duties

The Centers for Medicare & Medicaid Services shall establish the Panel by September 2011. The purpose of the Panel shall be to:

- (1) Conduct a review of the MEI inputs and categories.
- (2) Conduct a review of the MEI input and category weights.
- (3) Conduct a review of the MEI price-measurement proxies.
- (4) Conduct a review of the MEI productivity adjustment.
- (5) Not later than 11 months after establishment of the Panel, issue a report summarizing the recommendations based on the reviews described in subparagraph (1), (2), (3) and (4) above.

The Panel will not consider issues such as replacing the price index with a cost index, or other issues that lie outside the limits of the Centers for Medicare & Medicaid Services' statutory authority, such as replacing the SGR formula with the MEI.

Agency or Official to Whom the Panel Reports

The Panel provides advice to the Secretary of the Department of Health and Human Services (DHHS) and to the Administrator of the Centers for Medicare & Medicaid Services.

Support

Coordination, management, and operational services shall be provided by the Centers for Medicare & Medicaid Services.

Estimated Annual Operating Costs and Staff Years

The estimated annual operating cost in fiscal year (FY) 2011, including contracts and compensation and travel expenses for members, is \$212,436. The estimated annual FY 2011 full-time equivalent for Federal Government staff is 0.6 FTEs at an estimated annual cost of \$63,832.

Designated Federal Officer

Centers for Medicare & Medicaid Services will select a fulltime or permanent part-time Federal employee to serve as the Designated Federal Officer (DFO) to attend each Panel meeting and ensure that all procedures are within applicable statutory and regulatory directives. The DFO will approve and prepare all meeting agendas, call all of the Panel and subcommittee meetings, adjourn any meeting when the DFO determines adjournment to be in the public interest, and chair meetings when directed to do so by the official to whom the Panel reports. The DFO or his/her designee shall be present at all meetings of the full committee and subcommittees.

Estimated Number and Frequency of Meetings

Meetings shall be held up to four times over the life of the Panel. Meetings shall be open to the public, except as determined otherwise by the Secretary or other official to whom the authority has been delegated in accordance with the Government in the Sunshine Act (5 U.S.C. 552b(c)). Adequate advance notice of all meetings shall be published in the *Federal Register*, as required by applicable laws and Departmental regulations, stating reasonably accessible and convenient locations and times.

Duration

12 months from the date this charter is signed.

Termination

The Panel shall terminate 30 days after the date of the issuance of the report.

Membership and Designation

The Panel shall consist of not more than seven members, including the chair(s). The Secretary of DHHS or the Secretary of DHHS' designee shall appoint the Panel members. The Secretary

of DHHS or the Secretary of DHHS' designee shall select the Panel chair(s) from the appointed Panel members.

The Panel may be composed of, but is not necessarily limited to, representatives of other government agencies (such as the Bureau of Labor Statistics and the Bureau of Economic Analysis), members of the Medicare Payment Advisory Commission, researchers, and other independent experts.

Subcommittees

Subcommittees composed of members and nonmembers of the Panel may be established with the approval of the Secretary or her designee(s). The subcommittees must report back to the Panel and do not provide advice or work products directly to the DHHS or to the Center for Medicare & Medicaid Services. The Panel shall notify the DHHS Committee Management Officer upon establishment of each standing subcommittee and provide information on the subcommittee name, membership, function, and estimated frequency of meetings.

Recordkeeping

The records of the Panel, established subcommittees, or other subgroups of the Panel shall be managed in accordance with General Records Schedule 26, Item 2 or other approved agency records disposition schedule. These records shall be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. 552.

Filing Date

9/28/2011

Approved:

9/29/2011

/s/

Date

Secretary