

All-Payer Claims Databases

Joint Commission on Health Care
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Significant variation exists in health care costs, inflation, and quality by location

Fact 1: Virginia's 2004 per capita health care costs are lower than the U.S. (\$4,822 vs. \$5,283)

Fact 2: Virginia's annual health care inflation rate from 1991–2004 is higher than the U.S. average (5.6% vs. 5.5%)

Fact 3: Virginia health care sectors' annual inflation from 1991–2004

- Rx with medical non-durable expenses had the highest increases of 8.4%
- Hospital Care was lowest at 4.6%

Fact 4: Preventable hospital readmissions in Virginia differ by geography

Fact 5: More expensive health care does not yield higher quality

What Is an All-Payer Claims Database?

- ▶ Databases that typically include data derived from medical, eligibility, provider, pharmacy, and/or dental claims from private and public payers:
 - Insurance carriers
 - Medical, dental, third party administrators (TPAs), pharmacy benefit managers (PBMs)
 - Public payers
 - Medicaid, Medicare, Veterans Administration
- ▶ APCDs can allow for a broad understanding of cost and utilization across institutions and populations

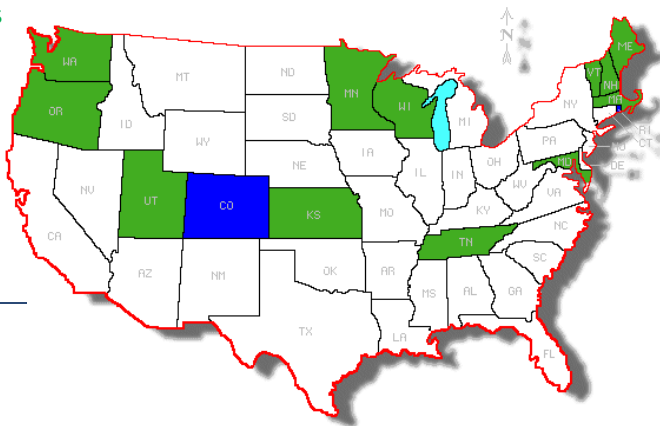
Source: Slide from APHRO Annual Conference, October 2009
Patrick Miller, MPH Research Associate Professor, University of New Hampshire (revised by JCHC staff).

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12 States Have Existing APCDs and 2 States Are in Implementation

Kansas
Maine
Maryland
Massachusetts
Minnesota
New Hampshire
Oregon
Tennessee
Utah
Vermont
Washington
Wisconsin

Colorado
Rhode Island



Sources: APCD Council email correspondence with JCHC staff & Oregon APCD website.

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APCDs Can Answer Many Types of Health Care Questions

Cost

Which hospitals, surgical centers or doctors have the lowest prices by procedure, or treatment?

What do health insurance companies pay for health care services?

Access

How far do people travel for services and for what type of services?

Medicaid

Is emergency room usage in Medicaid higher than the commercial population? What are the possible reasons?

Quality

Which hospitals, surgical centers or doctors have the highest ratings for certain medical procedures?

Are established clinical guideline measurements related to quality, safety, and continuity of care being met?

Public Health

What are the key public health issues by city and county?

In what geographic areas is public health improving?

Sources: Slide content from Alan Prysunka presentation to Virginia Health Reform Initiative Technology Task Force November 16, 2010 & Patrick M. Deise Love, Emily Sullivan, Jo Porter and Amy Costello, All-Payer Claims Databases: An Overview for Policymakers, 2010.

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APCD Primary Focus Varies Among States

	Cost	Quality	Efficiency	Geographic Differences	Episodes of Care	System Utilization
Kansas	■	■	■	■	■	■
Maine	■	■		■	■	■
Maryland	■		■	■		
Massachusetts	■					■
Minnesota	■	■		■	■	■
New Hampshire	■	■	■	■	■	■
Oregon	■					
Tennessee	■	■		■	■	■
Utah	■	■	■	■	■	■
Vermont	■	■		■	■	
Washington	■	■		■	■	■
Wisconsin	■	■	■		■	■

Other uses include: cost and quality benchmarking for Medicaid payment rates, measuring competition within the commercial health market, and potential risk adjustments.

Sources: APCD Council correspondence with CHC staff & Tennessee APCD website.

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Specific State Uses for APCDs

- Help employers understand variations in the cost and utilization of services by geographic area and in different provider settings (ME, NH)
- Explore value (cost and quality) for services provided (NH)
- Inform design and evaluation plans for payment reform models (NH, VT)
- Evaluate the effect of health reforms on the cost, quality, and access to care in a state (MD, VT)
- Compare utilization patterns across payers to inform state purchasing decisions for Medicaid (NH) and identify successful cost containment strategies (NH, VT)

Source: Patrick Miller, Denise Love, Emily Sullivan, Jo Porter and Amy Costello, All-Payer Claims Databases: An Overview for Policymakers, 2010.

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Important APCD Elements

- APCD Governance
- APCD Focus
- Data collection
 - Mandated submission?
 - Which payers submit data?
 - Does data include patient identifier information?
- Data release rules
- Public dissemination of data
- Funding

Many APCD permutations are possible

Sources: Denise Love, William Custer and Patrick Miller, All-Payer Claims Databases: State Initiatives to Improve Health Care Transparency, September 2010 & discussion with Michael Lundberg of VHI.

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The HLHS Subcommittee Convened a Meeting Regarding a Virginia APCD

- ▶ October 3rd a APCD meeting was convened by the Healthy Living/Health Services Subcommittee
 - Members attending:
 - Delegate O'Bannon
 - Delegate Brink
 - Delegate Peace
 - Senator Barker
 - Senator Blevins
 - Senator Puller
 - Stakeholders presenting:
 - Virginia Association of Health Plans
 - Virginia Health Information
 - Virginia Hospital & Healthcare Association
- ▶ APCD principles were discussed; No votes were taken.

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Potential Policy Options From APCD Meeting Discussion

Option 1: Take no action.

Option 2: Introduce legislation and accompanying budget amendment (*amount to be determined*) to amend Chapter 7.2 of Title 32.1 of the *Code of Virginia* to expand health data collected in order to develop an All-Payer Claims Database.

Option 3: By letter of the JCHC Chairman, indicate support for the creation of a Virginia All-Payer Claims Database. The letter would be sent to the chair of the following committees:

- Commerce and Labor (Senate and House)
- Education and Health (Senate)
- Health, Welfare and Institutions (House)

Option 3 represents general support for developing a Virginia APCD

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Potential Policy Options from APCD Meeting Discussion

Option 4: Include in the legislation or Chairman's letter (if Option 2 or 3 is approved), specific attributes for the All-Payer Claims Database.

A. Governance structure is housed at:

1. Virginia Health Information (VHI) or
2. Another public or private entity other than VHI

B. Types of data collected

1. Adhere to national reporting standards for medical claims (e.g. Accredited Standard Committee X12 standards when finalized)
2. APCD will determine the required data elements

C. Data collection from health insurers

1. Mandated collection
2. Voluntary submission

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Public Comment

- ▶ Written public comments on the proposed options may be submitted to JCHC by close of business on November 7, 2011. Comments may be submitted via:
 - E-mail: sbowman@jhc.virginia.gov
 - Facsimile: 804-786-5538
 - Mail to: Joint Commission on Health Care
P.O. Box 1322
Richmond, Virginia 23218
- ▶ The comments will be summarized and included in the Decision Matrix which will be discussed during the November 22nd JCHC meeting.

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