Making an APCD Business Case

The Arkansas Healthcare Transparency Initiative and the Arkansas All-Payer Claims Database (APCD)

Kenley Money
January 11, 2016
Agenda

• The Arkansas Center for Health Improvement (ACHI)

• Arkansas APCD Under Voluntary Data Submission

• The Arkansas Healthcare Transparency Initiative: Act 1233 of 2015

• Arkansas All-Payer Claims Database Solution

• Sustainability

• Lessons Learned
Arkansas Center for Health Improvement (ACHI)
About ACHI

• The Arkansas Center for Health Improvement (ACHI) is a nonpartisan, independent health policy center dedicated to improving the health of Arkansans

• Established in 1998, creating a much needed intersection between research and policy

• ACHI has proven experience in the management and integration of health data to support research and health policy
ACHI's Mission, Vision & Values

Mission Statement

To be a catalyst for improving the health of Arkansans through evidence-based research, public issue advocacy, and collaborative program development.

Vision Statement

To be a trusted health policy leader committed to innovations that improve the health of Arkansans.

Core Values

Trust, Innovation, Initiative, Commitment
Arkansas APCD Under Voluntary Data Submission
Arkansas Insurance Department Transparency Funding

• In 2013, the Arkansas Insurance Department (AID) Health Insurance Rate Review Division (HIRRD) received Cycle III and Cycle IV grant funding from the Center for Consumer Information and Insurance Oversight (CCIIO).

• This funding is to “Support Health Insurance Rate Review and Increase Transparency in Health Care Pricing”
Partnership with Arkansas Insurance Department

- AID HIRRD opened a competitive bid process to fulfill Cycle III requirements
  - Awarded $1.7 million over 18 months to establish a voluntary APCD
  - RFP awarded to ACHI in March 2014
  - Contract authorized June 2014

- ACHI contracted with AID HIRRD for Cycle IV funding from CCIIO
  - $1.05 million over 18 months for additional APCD development
  - Contract authorized June 2015
Voluntary Data Solution Components

- Database design
- Data Submission Guide (DSG)
- Integration using personally identifiable data
- APCD Website
- Analytic report prototypes
- Data security enhancements
- Benchmarking and validation approach
- External data quality reporting
ACHI’s Voluntary Data Solution

• Outside vendor not selected
  – Data security concerns
  – Restrictions in data use agreements for PII outside ACHI

• In-house solution utilizes
  – Existing infrastructure and processes
  – ACHI Generic Match Engine for data integration
Voluntary Data Solution Challenges

• Carrier Concerns
  • Data security
  • HIPAA compliance
  • Published reimbursement rates
  • Explicit contractual restrictions on the release of provider information
  • Lack of ownership of self-funded employer data

• Provider Concerns
  • Published quality measures
  • Published reimbursement rates

APCD Mandatory Data Submission
Environmental context

- APCDs in other states are optimally successful with mandatory data submission
- Voluntary data submission for APCD project purposes not likely to be fully successful
- Legal safe harbor for data submitters achieved with requirement of law
- Legislative and agency interest in transparency and knowledge base for policy/research
Legislative context recognizes:

• Lack of transparency laws relative to other states and available information for consumers
• Drive toward consumerism and patient responsibility
• System transformation efforts and need for data infrastructure
  – Inform continued reform efforts
  – Program evaluation and monitoring
  – Target quality improvement efforts
  – Peer comparison
  – Research
• Existing efforts in other states to integrate data while protecting privacy
Legislative purpose

• Empower Arkansans to drive, deliver, and seek out value in the health system
• Create the Arkansas Health Care Transparency Initiative
• Establish governance of the Arkansas Health Care Transparency Initiative
• Provide authority to collect health care information from insurance carriers and other entities
• Establish appropriate methods for collecting, maintaining, and reporting health care information, including privacy and security safeguards
What does Act 1233 of 2015 do?

- Creates the Arkansas Healthcare Transparency Initiative inclusive of the APCD and governance
- Establishes a mandate for certain entities to submit claims information
- Provides authority for AID to develop rules for data collection and use requirements, including penalties
- Ensures data protection—Freedom of Information Act, trade secrets, re-identification
- Establishes fund for operations and makes data availability contingent on available funds
Path to Successful Legislation

• Extended stakeholder engagement process
• Legislative champion with bipartisan appeal
• Trusted, neutral advisors with expertise in health policy and state politics
• Support of public and private self-insured employers
• Support of key provider organizations
• Neutralization of declared opponents
• Strategic execution of bill submission
• Negotiable bill components
## Milestones to Act 1233 of 2015 Passage

<table>
<thead>
<tr>
<th>Date</th>
<th>Legislative Activity</th>
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<tbody>
<tr>
<td>January 12, 2015</td>
<td>2015 Legislative Session began</td>
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<tr>
<td>March 9, 2015*</td>
<td>SB956 filed</td>
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<tr>
<td>March 19, 2015</td>
<td>Reviewed by Senate Committee on Insurance and Commerce</td>
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<td>March 24, 2015</td>
<td>Returned from Senate Committee on Insurance and Commerce</td>
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<td>March 25, 2015</td>
<td>Reviewed by House Committee on Insurance and Commerce</td>
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<td>March 31, 2015</td>
<td>Read by House Committee on Insurance and Commerce for third time and failed</td>
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<td>April 1, 2015</td>
<td>Motion to reconsider passed</td>
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<td>Reviewed and passed</td>
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<td>April 1, 2015</td>
<td>Delivered to Governor</td>
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<td>April 8, 2015</td>
<td>SB956 became Act 1233</td>
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*House Bill Introduction Deadline
Arkansas All-Payer Claims Database Solution
Arkansas APCD Solution

• APCD solution components redefined by Act 1233 of 2015

• Several APCD solution components were redesigned and rebuilt
  – Updated Data Submission Guide
  – Use of “unique identifiers” in lieu of personally identifiable data, including name, address, and Social Security number
  – Test files to be submitted by January 1, 2016
  – Quarterly data submission schedule based on number of covered lives
  – Registration and Onboarding processes
Sustainability Planning and Building Value

• In 2016, ACHI will provide consumer facing population health analytic reports focused on state issues to demonstrate value and build interest from consumers, agencies, and researchers
• Selected reports have been identified based on stakeholder input
• Selected reports have been prioritized based on a scoring system, assessing each by value to consumers, businesses, legislators, carriers, and providers
## APCD Analytic Strategy

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<tr>
<th>Report Name</th>
<th>Consumer Interest</th>
<th>Legislative Interest</th>
<th>Agency interest</th>
<th>Business Interests</th>
<th>Provider Interest</th>
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2016 Analytic Reports

Consumer Facing Reports

• Highlight quality metrics by hospital or healthcare setting-of-care
• Allow healthcare consumers to make fact-based decisions on where best to obtain medical services
• Will incentivize healthcare facilities to improve their performance
• Reports include:
  – Hospital Acquired Conditions
  – Infection Rates
  – Readmission Rates
  – C-Section Rates
  – Procedure Count by Surgeon
2016 Analytic Reports

• Long-Term Care/Strokes, Post-Acute-Care and Outcomes
  – Focuses on the prevalence of strokes in Arkansas and the outcome rates based on long-term and post-acute care
  – Current approach will include examination of the churn back and forth between payers
  – Reports will contribute to policymakers who are interested in the potential solutions for long-term services and support

• Opioid Use
  – Focuses on the prevalence of opioid use in Arkansas as it relates to public and private pharmaceutical claims
  – Analytic approach will include analysis by individual, provider, region, incident cause, and prevalence
Other Sustainability Options

• Analytics and Reporting
  – The APCD will provide population health reporting focused on state issues to demonstrate value

• Data Purchase
  – The APCD may charge a fee for access and use of datasets. Additional fees may be applied to cover costs of developing customized reports

• Governmental Sources
  – Federal, state, and local funds are available to support APCDs
Other Sustainability Options

- **Shared Resources with Other Entities**
  - APCDs may join forces with state agencies or other partners to develop a mutual solution to data needs

- **Assessments on Premiums**
  - Health insurers will pay a tax on premiums to support various operations and, in some states, a portion of these funds are dedicated to the APCD

- **Research Grants**
  - APCDs have been used to generate and promote new scientific evidence, particularly for population health, patient safety, disparities, and chronic disease
Other Sustainability Options

• **Membership or Subscription Fees**
  – Access to data is given to members or subscribers for research and analyses. Groups that typically apply for this access include payers, providers, academic researchers, and healthcare organizations

• **Penalties**
  – Regulatory agencies may impose penalties for data submitter non-compliance
Best Practices: Lessons Learned
**APCD Best Practices**

- **Strong Interagency Partnerships**
  - Advances the vision and value proposition on multiple fronts

- **Investment in Stakeholder Engagement Process**
  - Provides continued opportunity for education about APCDs and their value
  - Provides neutral platform for stakeholders to discuss concerns and provide input

- **Cultivate Legislative Support Early**
  - Obtain legislative or state agency champion
  - Build trust and eliminate roadblocks for state agency and legislative stakeholders
Best Practices

• Invest in Technical Expertise
  – Builds experienced technical teams with expertise in database design and build, website construction, data center management, privacy and security

• Utilize Project Management Tools
  – Follow traditional Waterfall Project Management for overall project
  – Use Agile Project Management for technical and component builds

• Acquire Subject Matter Experts
  – Utilize experts to provide actionable guidance in all areas of the health insurance industry, specifically:
    • APCDs
    • Private Health Insurance Systems
    • State and Federal Public Health Insurance Systems
Q&A