AHRQ Webinar Series
Making an APCD Business Case

January 11, 2016

Colorado APCD Origins

- 2008: Recommendation of Colorado Blue Ribbon Commission for Health Care Reform
- 2010: Colorado Statute (HB 10-1330) Creates Broadly Representative APCD Advisory Committee
- 2011: Colorado APCD Rule Promulgated by Dep’t. of Health Care Policy and Financing (HCPF)
- 2012: Operations and Data Collection Begin:
  - 7 largest commercial health plans and Medicaid
  - Historical data files from 2009 through 2011
  - Monthly data submissions – ongoing basis
- November 2012: Public Reporting Website LIVE!
Colorado APCD Features

• Mandate for Public Reporting of:
  – Performance data on quality, health outcomes, health disparities, cost, utilization and pricing in a manner accessible for consumers, public and private purchasers, providers and policymakers

• Non-Public Data Release Permitted if:
  – Consistent with the statutory purpose of the APCD,
  – Contributes to efforts to improve health care for Colorado residents, and
  – Complies with the requirements of HIPAA.

• No General Fund Appropriations
Total Cost of Care

Type of healthcare metric: Total Cost of Care (TCC)
Type of payer data: Private Insurer Only
View by: County
Show metric as: Actual value

Map | Data Sheet
Click on up to three areas on the Map below, for detailed reporting.

Counties selected for reports:
No areas selected.

Help
- Compared to Expected (C2E)
- Completeness Score (C-score)
- County Index
- Private Insurer
- Total Cost of Care (TCC)

Legend
Total Cost of Care Dollars Per Person Per Year
- Less than $2,400
- $2,400 to $2,600
- $2,600 to $2,800
- $2,800 to $3,000
- $3,000 to $3,500
- Greater than $3,500
- No Data

*Currently, data in the ARCO includes only those members from Colorado aged 61 and over. See the Data Limiter below for more details.*
### Total Cost of Care

<table>
<thead>
<tr>
<th></th>
<th>Eagle C2</th>
<th>Pitkin C2</th>
<th>Summit C2</th>
<th>State C2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Completeness Score</strong></td>
<td>0.69</td>
<td>0.72</td>
<td>0.74</td>
<td>0.78</td>
</tr>
<tr>
<td><strong>Illness Burden Score</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Dollars Paid Per Person Per Year

<table>
<thead>
<tr>
<th>Category</th>
<th>Actual</th>
<th>C2E Dollars</th>
<th>Actual</th>
<th>C2E Dollars</th>
<th>Actual</th>
<th>C2E Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Cost of Care</strong></td>
<td>$3,728</td>
<td>90%</td>
<td>$4,910</td>
<td>139%</td>
<td>$3,834</td>
<td>73%</td>
</tr>
<tr>
<td>Inpatient Facility Cost</td>
<td>$696</td>
<td>138%</td>
<td>$902</td>
<td>215%</td>
<td>$786</td>
<td>124%</td>
</tr>
<tr>
<td>Outpatient Facility Cost</td>
<td>$1,142</td>
<td>126%</td>
<td>$1,495</td>
<td>168%</td>
<td>$1,017</td>
<td>78%</td>
</tr>
<tr>
<td>ER Facility Cost (subset of Outpatient Cost)</td>
<td>$136</td>
<td>4%</td>
<td>$163</td>
<td>9%</td>
<td>$192</td>
<td>39%</td>
</tr>
<tr>
<td>Professional Cost</td>
<td>$1,390</td>
<td>109%</td>
<td>$1,932</td>
<td>167%</td>
<td>$1,541</td>
<td>109%</td>
</tr>
<tr>
<td>Ancillary Cost</td>
<td>$113</td>
<td>40%</td>
<td>$225</td>
<td>151%</td>
<td>$107</td>
<td>14%</td>
</tr>
<tr>
<td>Rx Cost</td>
<td>$387</td>
<td>-10%</td>
<td>$356</td>
<td>-13%</td>
<td>$382</td>
<td>-20%</td>
</tr>
<tr>
<td>% Generic</td>
<td>31%</td>
<td>-5%</td>
<td>42%</td>
<td>9%</td>
<td>30%</td>
<td>-9%</td>
</tr>
</tbody>
</table>

#### Dollars Paid Per Person Per Year by Gender/Age

<table>
<thead>
<tr>
<th>Gender</th>
<th>1 - Child (0-17)</th>
<th>2 - Young adult (18 - 34)</th>
<th>3 - Mature adult (35 - 64)</th>
<th>1 - Child (0-17)</th>
<th>2 - Young adult (18 - 34)</th>
<th>3 - Mature adult (35 - 64)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>$3,767 70%</td>
<td>$4,948 103%</td>
<td>$4,286 56%</td>
<td>$3,010</td>
<td>$2,473</td>
<td>$3,957</td>
</tr>
<tr>
<td>Male</td>
<td>$3,697 115%</td>
<td>$4,884 192%</td>
<td>$3,437 95%</td>
<td>$2,381</td>
<td>$2,473</td>
<td>$3,957</td>
</tr>
<tr>
<td>1 - Child</td>
<td>$1,663 38%</td>
<td>$2,003 44%</td>
<td>$2,045 73%</td>
<td>$1,663</td>
<td>$2,003</td>
<td>$2,045</td>
</tr>
</tbody>
</table>
I need a knee replacement, which hospital has the best price? CO APCD data puts the power to choose in the hands of Coloradans.
Colorado APCD Funding

• Feasibility Study funded by four Local Foundations
• Implementation and Bridge Funding provided by two Local Foundations
• CIVHC is Building a Sustainable Financial Model:
  – Cost Recovery/Revenues from Data Releases
  – Operating Grants
  – Research Grants
What is the Business Case?

- Cannot Understand what is not Measured
  - Where does variation in utilization and spending exist?
  - Is the observed variation appropriate?
  - What causes variation in utilization and spending?
  - Cost, Quantity of Services, Quality, Other?

- APCDs are a Valuable and Unique Data Source
  - Comprehensive view of utilization and spending
  - Tremendous variety of potential use cases
  - Leverage local knowledge and relationships to bring about meaningful and lasting change
  - Like politics, delivery of healthcare is LOCAL!
Contact Information

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