



All Payer Claims Databases (APCDs)

VHI Background & Key Considerations

Michael Lundberg, Executive Director

October 3, 2011



VHI Background

- Organizational Structure
- Mission
- Information Collected
- Publications & Databases
- Funding

Building a Value-Driven APCD

- Funding
- Standardization
- Transparency
- Phased Implementation
- Build on Success

Our Mission



To create and disseminate health care information

To promote informed decision making by Virginia consumers and purchasers,

To enhance the quality of health care delivery

2

Background- Who we are



VHI is an independent, not-for-profit, 501(c)(3) health information organization established in 1992.

- Board of Directors represents Virginia health care stakeholders
- Formed to administer Virginia Health Care Data Reporting Initiatives to benefit Virginians § 32.1-276.2



3

Representing All Health Care Stakeholders To Benefit Consumers, Business and others



- Since inception, VHI's Board of Directors recognized the value of multi-stakeholder collaboration.
- By-laws stipulate the Board of Directors will include seven health care stakeholder groups.
- Inclusive structure and member Involvement results in credibility, financial diversity, and recognition as a trusted, independent intermediary.

Business Representatives



Jodi L. Fuller
Meadwestvaco



Alfred D. Hinde, Jr.
CF Finance



S. Hope Johnson
Pyramind LLC



M. Addison Jones
The Supply Room Companies



America's Most Convenient Bank®
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SRIS, P.C.



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Jay Schukman, MD
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Centra Health



Thomas S. Dodson
Birmingham Green Nursing Facility

Physician Representatives



Charles O. Frazier, MD, FAAP
Riverside Health System



Peter W. Houck, MD
Johnson Health Center

State Representatives



Senator R. Edward Houck
Joint Commission on Health Care



Karen Remley, MD, MBA, Commissioner
Virginia Department of Health

EXECUTIVE COMMITTEE



David D. Adams
VHI President

Jodi L. Fuller
VHI Vice President

James L. Kammerl
VHI Treasurer

Kay W. Lewis
VHI Secretary

Charles O. Frazier, MD, FAAP
VHI Past President

4

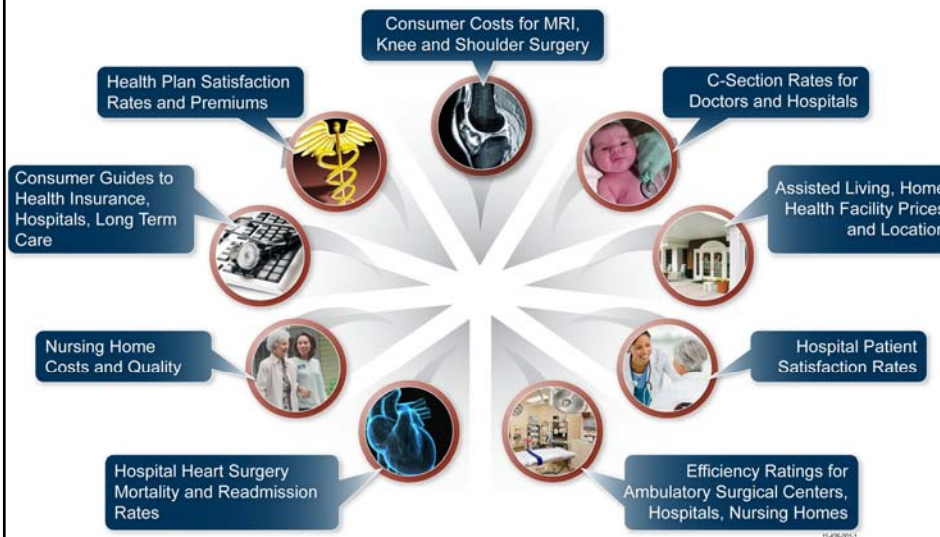
Information Collected and Funding Sources



Type of Data	Funding Sources	Uses
Hospital Patient Level Data, Outpatient Data	General Funds and VHI.	Consumer, business reports, (heart care, obstetrics, etc) public health , research
EPICS-financial and operational	Ambulatory Surgical Centers, Hospitals, Nursing Facilities	Public reports on efficiency, productivity, financial health, charity care, average cost per admission etc.
HMO quality and financial performance information	HMOs	Quality, satisfaction and premium (PPMPM) information for business and consumers
Long Term Care information on costs and quality	VHI and leveraged data from EPICS	LTC Guide, costs and Nursing facility quality
Annual Licensure Survey	VDH Office of Licensure and Certification fees	Certificate of Public Need, utilization. Public reports
Prices for health care services	VHI	Public reports on average allowed amounts for 31 services

5N

VHI Publishes Business and Consumer Guides, Reports, and Information

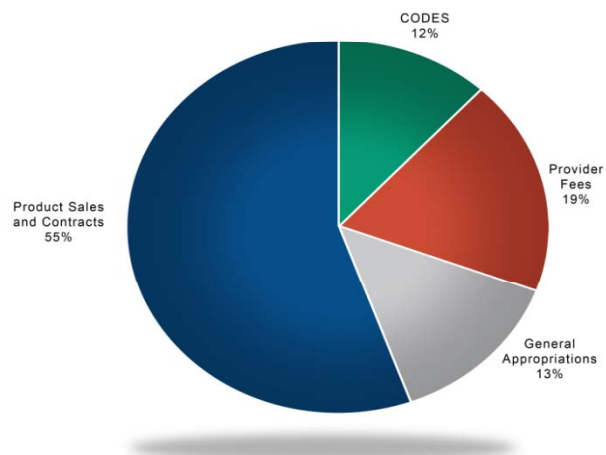


6

Funding



VHI's FY2011 Revenues
Reflect Diverse Support for VHI Programs and Services



7

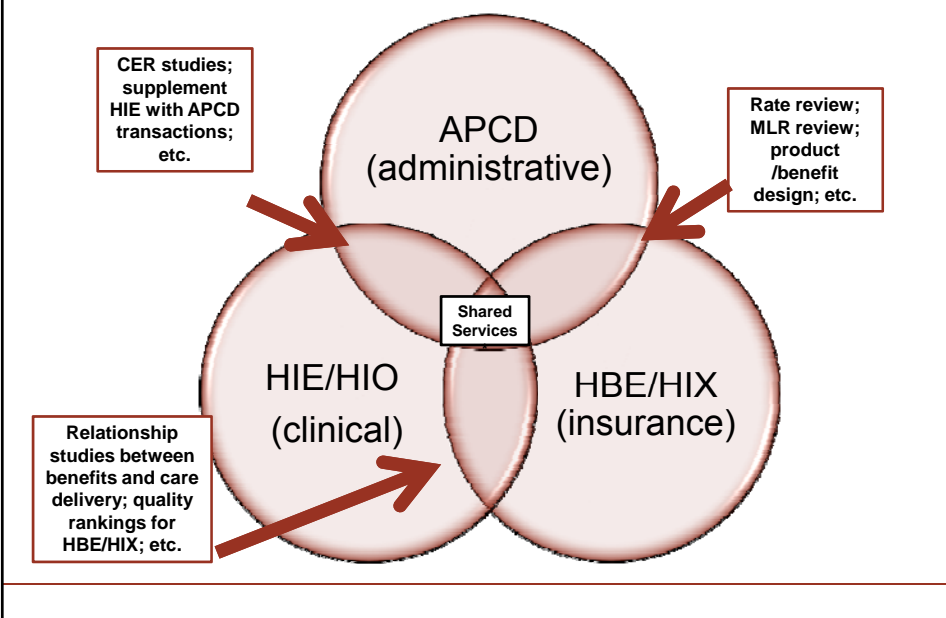
Some Definitions



- **All Payer Claims Database:** A database of medical, pharmacy, and dental claims, member eligibility, provider, and product files encompassing fully-insured, self-insured, Medicare, and Medicaid data.
- **Health information exchange:** (HIE) the transmission of healthcare-related (clinical) data among facilities, providers and government agencies
- **Health Benefits Exchange:** A resource for Americans seeking health insurance. Under the Patient Protection and Affordable Care Act of 2010. Individual insurance buyers can select any of a variety of plans within the Exchange all of which are administered by private insurance companies.

8

Other States are planning to integrate these



APCD Funding – State Funding Models



- General Funds
- Assessments (payers, providers)
- Medicaid (various options)
- Private Foundations
- Data Sales (minimal)
- Fines for non-compliance (minimal source of revenue)
- Grants: federal, state, private
- Products/Services: Data aggregation/reporting for required HEDIS activities
- Products/Services: Data aggregation/reporting for P4P programs
- Beacon Community Grant

10

Need for Standardization



- 14 States have/are implementing APCDs
- Historically, health insurance carriers were asked to provide information differently state-by-state causing
 - Unfair and unnecessary cost burden to carriers
 - Difficulty in comparing care across state lines
- National Standards are needed to address these problems.
 - Standards for reporting have been drafted for adoption by standards organizations
 - If an APCD is developed in Virginia, adoption of these standards is an important component for success

11

Transparency- A Key to Value



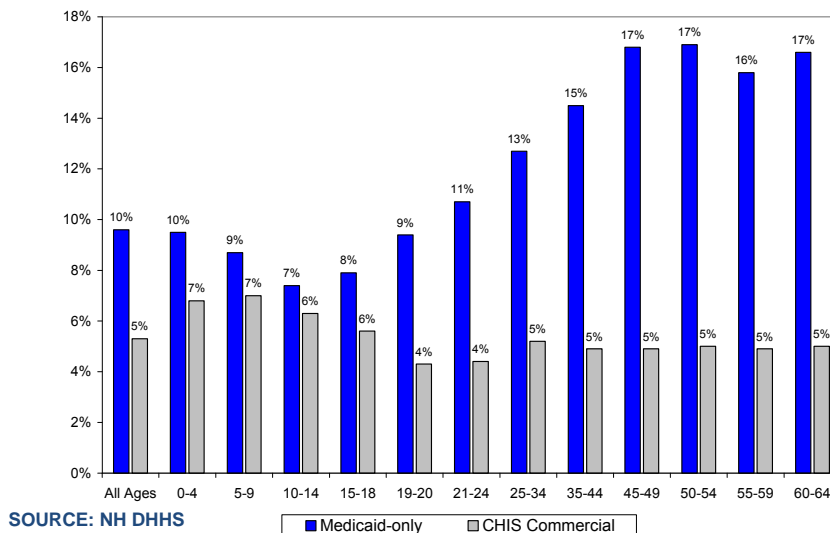
When unrestricted, APCDs have something for everyone...

- Consumers
- Employers
- Health Plans/Payers
- Providers
- Researchers (public policy, academic, etc.)
- State government (policy makers, Medicaid, public health, BOI, etc.)

Examples follow next 8 slides

12

Prevalence of Asthma by Age, NH Medicaid (non-Dual) and NH Commercial Members, 2005



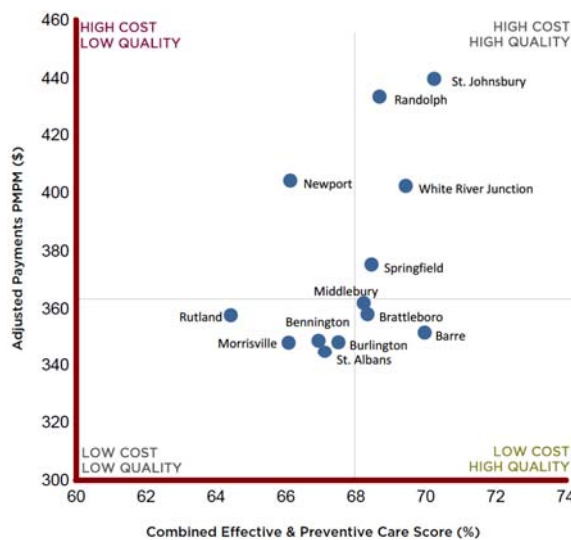
Selected Prevalence Conditions – Vermont Commercial Population – 2007-2009



Major Disease Category	Rate/1,000 Members	Rate/1,000 Members	Rate/1,000 Members
	2007	2008	2009
Cancers			
Breast Cancer	6.3	6.3	6.6
Lung Cancer	1	1	1
Colorectal Cancer	1.2	1.1	1.2
Digestive System Diseases	101	99.5	101.1
Heart & Other Circulatory Diseases			
Coronary Heart Disease	13.2	12.9	13.5
Stroke	4.8	4.9	5.2
Congestive Heart Failure	2.3	2.3	2.2
Genitourinary System Disorders	160.5	156.3	156.0
Respiratory System Disorders	263.3	255.5	261.1

SOURCE: VT BISHCA

Vermont Comparative Costs and Quality by Region



The scattergraph shows the relationship between the rate of payments and the rate of effective and preventive care. The graph's vertical axis displays the rate of payment per member per month (PMPM) adjusted for differences in age, gender, and health status of the population. The graph's horizontal axis displays the combined effective and preventive care score. The crosshair lines display the statewide average for each axis; subpopulations are classified into quadrants based on comparison to the statewide average.

SOURCE: VT BISHCA

an official NEW HAMPSHIRE government website

Home
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FAQs and Methodology
Resources
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Sunday, March 13, 2011

Pricing of Health Care Services
- A Deeper Explanation

Health Costs for Insured Patients

Health Costs for Uninsured Patients

Detailed estimates for Arthroscopic Knee Surgery (outpatient)

Procedure: Arthroscopic Knee Surgery (outpatient)
Insurance Plan: Anthem - NH, Health Maintenance Organization (HMO)
Within: 20 miles of 03301
Deductible and Coinsurance Amount: \$500.00 / 10%

Lead Provider Name	Estimate of What you Will Pay	Estimate of What Insurance Will Pay	Estimate of Combined Payments	Precision of the Cost Estimate	Typical Patient Complexity	Contact Info
CONCORD AMBULATORY SURGERY CENTER	\$769	\$2429	\$3198	HIGH	MEDIUM	
CAPITAL ORTHOPAEDIC SURGERY CENTER	\$815	\$2844	\$3659	HIGH	LOW	
DARTMOUTH HITCHCOCK SOUTH	\$841	\$3077	\$3918	MEDIUM	MEDIUM	DARTMOUTH HITCHCOCK SOUTH 800.238.0505
LAKE REGION GENERAL HOSPITAL	\$897	\$3574	\$4471	LOW	HIGH	LAKE REGION GENERAL HOSPITAL 603.527.7171
SPEARE MEMORIAL HOSPITAL	\$949	\$4046	\$4995	HIGH	LOW	SPEARE MEMORIAL HOSPITAL 603.536.1120
FRANKLIN REGIONAL HOSPITAL	\$975	\$4276	\$5251	HIGH	LOW	FRANKLIN REGIONAL HOSPITAL 603.527.7171
CATHOLIC MEDICAL CENTER	\$980	\$4328	\$5308	LOW	LOW	CATHOLIC MEDICAL CENTER 800.437.9666

Lead Provider This is the single entry that all health care procedure costs are assigned to in HealthCost. Even when separate payments are made to a physician and a hospital, the estimated payment amount is the combined total amount paid. When a Lead Provider is not listed in the results, we do not have sufficient data to calculate an estimate.

Estimate of What You Will Pay - This figure represents out of pocket payments you may be required to pay based upon your health coverage, your deductible, and your coinsurance. Deductibles and co-insurance are paid after the service is provided.

Estimate of What Insurance Will Pay - This figure represents the payment made by your insurance company to the health care provider.

Estimate of Combined Payments - This figure represents the combined amount that the health care provider receives from you as a patient and from your insurance company.

Precision of the Cost Estimate - This is an indication of how accurate, based upon statistical analysis and historical experience, the cost estimate is. A lower precision means that there is a greater likelihood that the amount of your bill will differ from the cost estimate. A high precision means that the amount of your bill will have a greater likelihood of being close to the cost estimate. Some estimates are more precise than others because the amount charged for the procedure across all patients is more uniform. When the amount charged for a procedure or service across all patients varies considerably, it is more difficult to estimate an expected cost for the procedure or service, and as a result, the cost estimate is less precise.

Typical Patient Complexity - This is an indication of how healthy or sick the patients are that are seen for this particular procedure at this health care provider. Some health care providers are sicker patients, or patients that are more complex, and thus there may be more costs associated with treating them.

Range of Costs for Cardiac Valve Surgery[‡] by Hospital

Hospital	15th Percentile	Median	85th Percentile
Beth Israel Deaconess Medical Center	\$44,500	\$53,000	\$118,000
Brigham and Women's Hospital	\$50,000	\$61,000	\$127,500
Massachusetts General Hospital	\$45,500	\$49,500	\$129,000

[‡] There are no cost ratings for this procedure.

If the 15th Percentile and Median values for a hospital are equal, then only Median and 85th Percentile values are shown on the graph.

If the Median and 85th Percentile values for a hospital are equal, then only 15th Percentile and 85th Percentile values are shown on the graph.

If only the 85th Percentile value is shown for a hospital, then the 15th Percentile, Median, and 85th Percentile values are equal.

Refer to the hospital-specific data table to see all cost values for each hospital.

Legend

Cost Ratings

\$ The hospital is among the least costly. This cost is lower than 85% of all hospitals in the state.

\$5 The hospital cost is below average. This cost is above 15% but below 50% of all hospitals in the state.

\$55 The hospital cost is above average. This cost is above 50% but below 85% of all hospitals in the state.

\$555 The hospital is among the most costly. This cost is higher than 85% of all hospitals in the state.


MASSACHUSETTS DIVISION OF HEALTH CARE FINANCE AND POLICY • NOVEMBER 2009

Source: <http://hcqcc.hcf.state.ma.us/Default.aspx>

17

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9



MyHealthCareOptions™

A Health Care Resource Provided by the Commonwealth of Massachusetts Health Care Quality and Cost Council

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Comparison of Providers

Choose a Topic

- Patient Safety
 - Patient Safety
 - Serious Reportable Events
 - Surgical Care
- Patient Experience
 - Patient Experience
- Bone and Joint Care
 - Back Procedure
 - Hip Fracture
 - Hip Replacement
 - Knee Replacement
- Cardiovascular Disease
 - Angioplasty
 - Bypass Surgery
 - Cardiac Screening Tests
 - Heart Attack
 - Heart Failure
 - Heart Valve Surgery
 - Stroke
- Digestive System
 - Gall Bladder
 - Intestinal Surgery
 - Weight-loss Surgery
- Obstetrics
 - Cesarean Section
 - Normal Newborn
 - Vaginal Delivery
- Outpatient Diagnostic
 - CT Scan
 - MRI

Cardiovascular Disease: Bypass Surgery

Bypass surgery involves transplanting a blood vessel from your leg or chest to the heart to get around (or "bypass") a blockage in the heart's blood supply. (more)

Diagnostic classification: Coronary Bypass with cardiac catheterization (APR-DRG 165); Coronary Bypass only (APR-DRG 166)

[Summarized Report](#) [View Detailed Report](#) [View Statewide Procedure Costs](#)

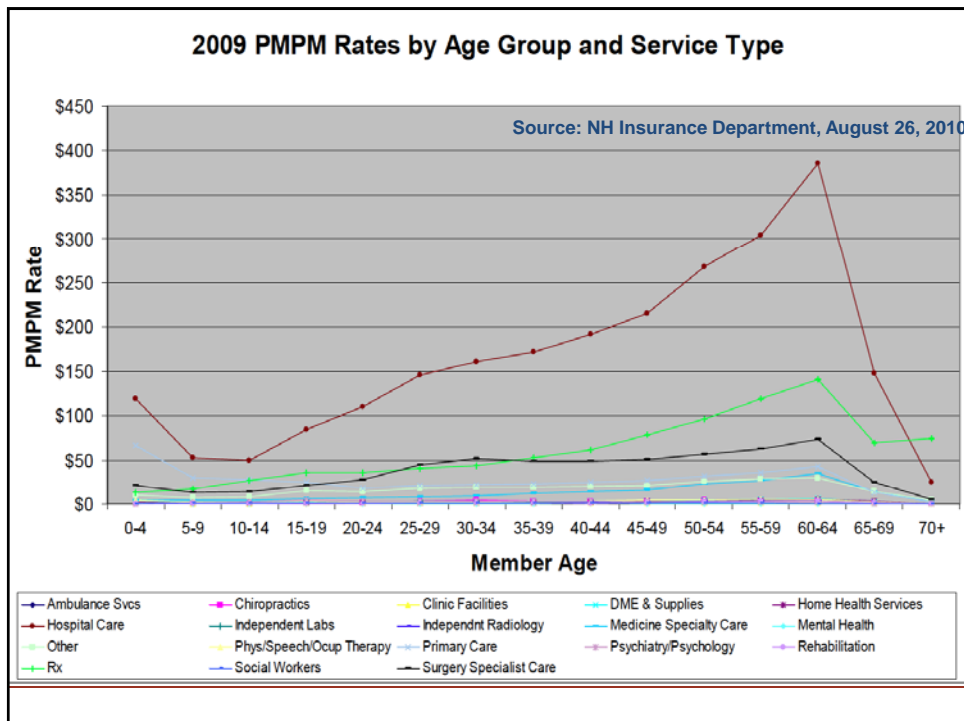
	Boston Medical Center	Brigham & Women's Hospital	Massachusetts General Hospital
Quality of Care (more)			
Quality Rating	☆☆	☆☆	☆☆
Statistical Significance	Not different from State Average Quality	Not different from State Average Quality	Not different from State Average Quality
Cost of Care (more)			
Cost Rating	\$	\$\$	\$\$\$
Statistical Significance	Below Median State Cost	Not Different from Median State Cost	Above Median State Cost

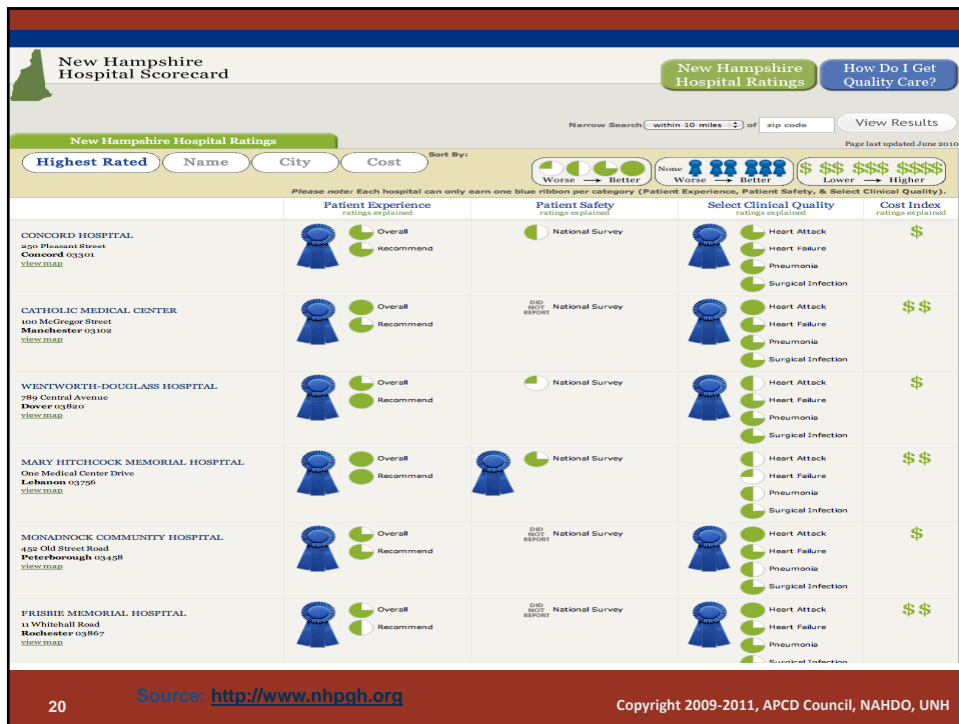
[Boston Medical Center](#) [Brigham & Women's Hospital](#) [Massachusetts General Hospital](#)
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Source: <http://hcqcc.hcf.state.ma.us/Default.aspx>

Quality of Care - State Legend

- ☆☆ Below State Average Quality
- ☆☆☆ Not Different from State Average Quality
- ☆☆☆☆ Above State Average Quality
- N/A Not enough information was reported.





Phased Implementation



Consider starting with population health measures. Align priorities with VDH programs, high variation conditions, and /or costs. Examples:

- Diabetes: rates of good control: Variations by region/city/ commercial compared to government programs
- Timeliness of prenatal care- related to low infant birth weight
- Follow-up after hospitalization For mental illness within 7 days after hospital discharge
- Proper medications following heart attack (persistent use of beta blockers)

Phased Implementation-continued



- Support Health Benefits Exchange with information on health care utilization and costs.
- Provide information to support emerging accountable care organizations
- Expand pricing transparency to regional variations. Work with stakeholders to expand detail to provider and payer
- Depending on HIE participation levels by consumers and providers evaluate potential to add clinical lab/radiology/other information from HIE to support quality improvement efforts and public reporting on costs and quality

22

Build on Success: Leverage Existing Health Data Reporting laws



Many aspects regarding administration of an APCD including, fees, confidentiality, data release and related issues have been previously addressed and can be altered to address an APCD

Code Of Virginia Chapter 7.2 - Health Care Data Reporting

[32.1-276.2](#) Health care data reporting; purpose

[32.1-276.3](#) Definitions

[32.1-276.4](#) Agreements for certain data services

[32.1-276.5](#) Providers to submit data

[32.1-276.5:1](#) Disclosures of contractual arrangements to be made publicly available.

[32.1-276.6](#) Patient level data system; reporting requirements [32.1-276.8](#) Fees for processing, verification, and dissemination of data

[32.1-276.9](#) Confidentiality, subsequent release of data and relief from liability for reporting; penalties

23

A Fork in the Road ?



Thoughts on a Value-Driven APCD



Funding Model: Consider multi-stakeholder approach

Standardization: To reduce carrier burden

Transparency: To increase value to all

Phased Implementation: Based on Virginia priorities

Build on Success: Leverage existing Virginia Code

24



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