MINUTES OF THE RULE HEARING OF THE



Executive Director of Health Care Policy and Financing

The Capitol Center
225 East 16th Avenue, 6th Floor Conference Room
July 12, 2011

The mission of the Department of Health Care Policy and Financing is to improve access to cost-effective, quality health care services for Coloradans.

Staff Present: Sue Birch, Executive Director; Heidi Dineen, Assistant Attorney

General; Judi Carey, Rule Coordinator; and Natalie Bishopp, Support

Staff

- 1. Call to Order: Executive Director Birch called the meeting to order at 8:30 a.m.
- 2. Announcements: Ms. Birch introduced the proposed rule scheduled for hearing, ED 11-06-01-A, concerning the All Payer Claims Data Base at Section 1.200.
- 3. Introduction of Rules:

<u>Document 01 ED 11-06-01-A Revision to the Executive Director for Health Care</u> Policy and Financing Rule Concerning the All-Payers Claims Database, Section 1.200

Ms. Birch introduced Jed Ziegenhagen, Health Care Policy and Financing Rates Division, and Phil Kalin, Center for Improved Value in Health Care (CIVHC) and invited them to present the proposed rule.

Mr. Ziegenhagen explained that the All Payer Claims Database (APCD) is a statutory responsibility of the Department and that CIVHC has been chosen to build the database on the Department's behalf. Mr. Ziegenhagen explained that due to increased costs for health care services, fewer dollars to spend and the quality of healthcare in the state lagging behind international benchmarks, it is important to create a measurement tool with one common set of data rather than relying on fragmented data sets. Mr. Ziegenhagen requested permission from Ms. Birch to continue this hearing until August to provide additional time to address stakeholder concerns that have recently been raised.

Ms. Birch indicated she would prefer to go ahead with this hearing in order to gather as much history, information and formal input as possible and schedule a second hearing in August to address recent input. This allows time to analyze all information and to make a formal decision in August.

Mr. Kalin explained that HB 10-1330 was put into law a year ago with the intent to develop a tool to track and measure cost and quality of health care that could be provided to a wide variety of stakeholders. This legislation provided authority to the Executive Director of Health Care Policy and Financing (HCPF) to appoint an advisory committee and an administrator of the database. In August of 2010, an advisory committee was formed and

CIVHC was appointed as administrator of the database. An overall framework was established by the APCD Advisory Committee, regularly scheduled meetings were held, sub-groups were formed, recommendations were made and reports were submitted to the Governor and to Legislators. Mr. Kalin explained that no later than January 1, 2012, a database must be created and no later than January 1, 2013 a database must be operational. A critical step in the process is to have an absolute definition of rules that identify all aspects of the data submission and reporting process. Mr. Kalin also discussed the fund raising project.

Executive Direction Discussion

Executive Director discussion and questions included that: the committee and sub-groups have included a number of insurance representatives who have worked closely with national carriers, foundations and organizations to determine what works, what doesn't work, to define best practices while not losing sight of Colorado's goals; the groups have been listening closely to stakeholders through a collaborative process; written comments from various groups have been received and addressed; the data submission guide is a purely technical guide that defines how data is submitted and is standard for all carriers; several stakeholders have expressed interest in how the data can be reported; there will be a rigorous process whereby stakeholders will be able to request data that indicates how things are going; some of the top priorities to improve quality and contain costs for health care that were defined for governors by federal health care policy makers are directly related to participation in an APCD; states are working closely with the federal government on this project; a number of requirements have been put in place to ensure absolute compliance with HIPAA laws and to make certain that the privacy and security of data is maintained at all times; CIVHC has leveraged resources in Colorado by working collaboratively with a number of organizations including CHORIO, Quality Health Network (QHN) Health Information Exchange, OIT, etc.; CIVHC has been working with a number of stakeholders to develop metrics that will be instrumental in improving health, health care and bend the cost curve; concerns raised by consumers and stakeholders include privacy and security, that the data is fully protected, the amount of data amassed by one entity and the safety of proprietary contract information; stakeholders also expressed excitement about the kind of information that can be reported from an APCD that will benefit consumers; CIVHC has received sufficient funding from foundations to develop and implement the APCD; and a plan is being developed and funding from foundations being raised to sustain the APCD for three years.

Testimony

Julie Hoerner Mowry, State Farm Chet Seward, Colorado Medical Society

Public testimony included: that submission guidelines are incorporated by reference in rule and reference the capturing of some property and causality data specifically auto medical coverage as well as workers compensation data; a request that these items not be included in the rule; that national standards for the submission guide were used for standardization purposes and reference to auto medical coverage and workers compensation coverage were inadvertently left in; the intent is to remove these two

forms of coverage from the requirements; it is also the intent to exclude from the APCD insurance programs that have 1000 covered lives or less; that there is support of the APCD and a feeling that it is an excellent tool that will benefit physicians; and that initial reporting will be at a high level and will not be in opposition to the Physician Designation Disclosure Act.

Ms. Birch requested that a follow up meeting be scheduled on August 24, 2011 to further consider the rule.

4. Ms. Birch adjourned the hearing at 9:40 a.m.

The next meeting of the Executive Director of Health Care Policy and Financing is scheduled at 8:30 a.m. on Wednesday, August 24, 2011 in the 6th floor conference room at 225 East 16th Avenue, Denver, CO 80203.

Reasonable accommodations will be provided upon request for persons with disabilities. Please notify Judi Carey at <u>Judith.carey@state.co.us</u> or by phone at 303-866-4416 at least one week prior to a meeting if you requirel accommodations in order to participate.