# All-Payer Claims Databases: Lessons From Other States

### March 24, 2011 California State Capitol, Sacramento, CA





NATIONAL ASSOCIATION OF HEALTH DATA ORGANIZATIONS



# Topics

- Background
- Usage Examples
- Lessons Learned and Challenges
- Questions

# Background

### www.apcdcouncil.org



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#### Interactive State Reports Map

Click on a state to find out about the APCD in that state.



States: As information about the APCD changes in your state, please contact ashley.peters@unh.edu, so that we can keep the state profiles current.

### Welcome to the APCD Council!

The APCD Council, formerly known as the Regional All Payer Healthcare Information Council (RAPHIC), is a federation of government, private, non-profit, and education organizations focused on improving the development and deployment of state-based all payer claims databases (APCD). The APCD Council is convened and coordinated by the Institute of Health Policy and Practice (IHPP) at the University of New Hampshire (UNH) and the National Association of Health Data Organizations (NAHDO).

RAPHIC was first convened in 2006 by UNH, IHPP staff with the goal of engaging future users of the Maine and New Hampshire APCDs in a discussion about multi-state collaboration. Soon after, states across the country joined the group. Currently, there is participation from nearly a dozen states. NAHDO was established in 1986 to promote the uniformity and availability of health care data for cost quality and access purposes. In 2007, NAHDO forged a collaboration with RAPHIC to expand APCD data initiatives beyond the north east region and to lead fund raising for APCD products and conference support. Together, NAHDO and RAPHIC have been coordinating a multistate effort to support state APCD initiatives and shape state reporting systems to be capable of supporting a broad range of information needs.

In response to a shift from a regional to nationwide focus, RAPHIC has changed its name to the APCD Council. The APCD Council will continue to work in collaboration with states to promote uniformity and use of APCDs.

#### Home | Contact Us 4 Library Way - Hewitt Hall, Suite 202 - Durham, NH 03824 – 603.862.5031 - info@apcd.org

# **National Activities**

- Standards Development
- Technical Assistance
- Web Resources
- Publications and Issue Briefs
- Annual Conference
- AHRQ USHIK Database

 Partners: APCD Council, NAHDO, States, Carriers, AHRQ, AHIP, National Council for Prescription Drug Programs (NCPDP), AcademyHealth State Coverage Initiatives, The Commonwealth Fund, NGA

# **Technical Advisory Panel**

- Agency for Healthcare Research and Quality (AHRQ)
- All-Payer Claims Database Council (APCD Council)
- America's Health Insurance Plans (AHIP)
- Individual Payers (e.g., Aetna, Cigna, Harvard Pilgrim Health Care, Humana, UnitedHealthcare)
- Centers for Disease Control and Prevention, National Center for Health Statistics (CDC NCHS)
- Centers for Medicare & Medicaid Services (CMS)
- National Association of Health Data Organizations (NAHDO)
- National Association of Insurance Commissioners (NAIC)
- National Conference of State Legislatures (NCSL)
- National Governors Association (NGA)
- Office of the Assistant Secretary for Planning and Evaluation (ASPE)
- State Health Plan Associations various

# Backdrop 2005-11

- Increased Transparency Efforts
- Employer Coalitions
- Payment Reform
  - Patient Centered Medical Home
  - Accountable Care Organizations
- Health Information Exchange (HITECH)
- Health Reform (PPACA)

# **Definition of APCDs**

- Databases, created by state mandate, that typically include data derived from medical, eligibility, provider, pharmacy, and/or dental files from private and public payers:
  - Insurance carriers (medical, dental, third party administrators (TPAs), pharmacy benefit managers (PBMs))
    Public payers (Medicaid, Medicare)

# Sources of APCD Data

Commercial & TPAs & PBM & Dental & Medicare Parts C & D

Medicaid FFS & Managed Care & SCHIP

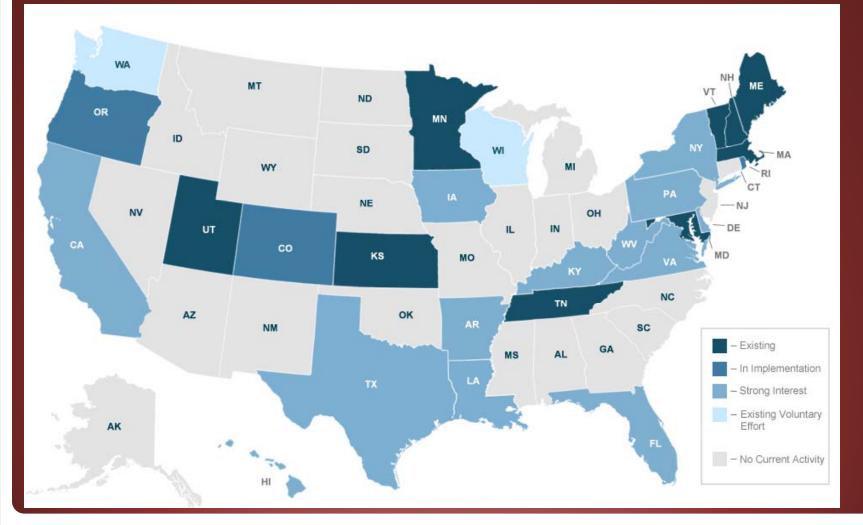
Medicare Parts A & B

Uninsured & TRICARE & FEHB

## **APCDs Are about Transparency**

- In what geographies is public health improving?
- What percentage of my employees have had a mammogram?
- If emergency room usage in Medicaid is higher than in the commercial population, what are the drivers?
- What is the average length of time people are using antidepressant medications?
- How far do people travel for services? Which services?
- Hundreds of additional questions have been asked...

## State Status – March 2011

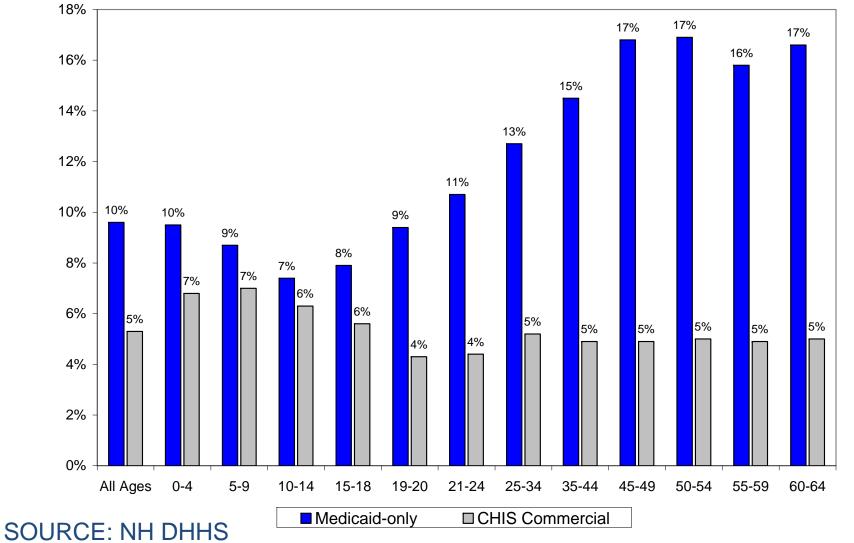


# Usage Examples

## Something for Everyone...

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

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



## **Episode Treatment Groups (ETGs) for Benign Conditions of the Uterus**

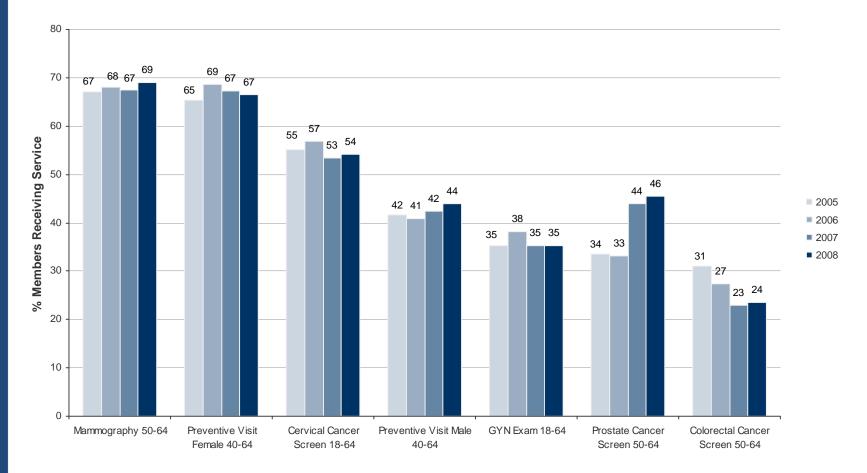
Maine Commercial Claims (2006–2007); Full Episodes Outliers Removed Preference Sensitive Care

BENIGN CONDITIONS OF THE UTERUS	HYSTERECTOMY	OTHER SURGICAL PROCEDURES	WITHOUT SURGERY
ETG-Subclass	646	646	647
Number of Episodes	938	2,183	7,369
% with CT-Scan	11%	15%	9%
% with Ultrasound	57%	67%	45%
% with Hysteroscopy	7%	48%	9%
% with Colposcopy	1%	2%	17%
% with Endometrial biopsy	20%	13%	9%
Average Payment per Episode	\$11,074	\$7,994	\$1,273

The average episode payment for members with abdominal hysterectomy was \$11,221, and the average payment for members with vaginal hysterectomy was \$10,990. Of members with a hysterectomy, 66% had abdominal and 34% had vaginal hysterectomy. Other surgical procedures included hysteroscopy ablation, laparoscopic removal of lesions, myomectomy, and removal of ovarian cysts.

SOURCE: ONPOINT HEALTH DATA

### Members Receiving Preventive Services COMPANY ABC (2005–2008)



#### SOURCE: NH Purchasers Group on Health

## **Payment Rate Benchmarking**

	ling Patient Sha	are, 2006		
Procedure Code	Health Plan 1	Health Plan 2	Health Plan 3	<b>NH Medicaid</b>
99203 Office/Outpatient Visit New				
Patient, 30min	\$124	\$115	\$130	\$42
99212 Office/Outpatient Visit				
Established Patient, 10min	\$51	\$48	\$52	\$30
99391 Preventive Medicine Visit				
Established Patient Age <1	\$111	\$102	\$107	\$61
90806 Individual psychotherapy in				
office/outpatient, 45-50min	\$72	\$71	\$71	\$61

SOURCE: NH DHHS

#### Detailed estimates for Arthroscopic Knee Surgery (outpatient)

Procedure: <u>Arthroscopic Knee Surgery (outpatient)</u> Insurance Plan: Anthem-HMO, Within 50 miles of 03301, Deductible and Coinsurance Amount: \$50.00 / 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
SALEM SURGERY CENTER	\$363	\$2822	\$3185	HIGH	VERY LOW	603.898.3610
CONCORD HOSPITAL	\$383	\$3006	\$3389	MEDIUM	MEDIUM	603.228.7145
DARTMOUTH HITCHCOCK SOUTH	\$398	\$3135	\$3533	LOW	MEDIUM	603.650.500
LAKES REGION GENERAL HOSPITAL	\$469	\$3776	\$4245	LOW	MEDIUM	603.527.717
MARY HITCHCOCK MEMORIAL HOSPITAL	\$509	\$4135	\$4644	HIGH	MEDIUM	603.650.500
SOUTHERN NH MEDICAL CENTER	\$522	\$4254	\$4776	MEDIUM	MEDIUM	603.577.200
WENTWORTH DOUGLASS HOSPITAL	\$524	\$4266	\$4790	MEDIUM	HIGH	603.742.525
PORTSMOUTH REGIONAL HOSPITAL - HCA AFFIL	\$548	\$4483	\$5031	MEDIUM	MEDIUM	603.436.511
PORTSMOUTH AMBULATORY SURGERY CENTER	\$596	\$4918	\$5514	HIGH	MEDIUM	603.433.094
ST JOSEPH HOSPITAL	\$619	\$5129	\$5748	HIGH	MEDIUM	603.882.300
FRISBIE MEMORIAL HOSPITAL	\$670	\$5587	\$6257	MEDIUM	MEDIUM	
MONADNOCK COMMUNITY HOSPITAL	\$701	\$5867	\$6568	LOW	HIGH	603.924.719
EXETER HOSPITAL	\$731	\$6131	\$6862	HIGH	MEDIUM	603.778.731
FRANKLIN REGIONAL HOSPITAL	\$816	\$6898	\$7714	MEDIUM	MEDIUM	603.527.717
NEW LONDON HOSPITAL	\$826	\$6988	\$7814	MEDIUM	VERY LOW	603.526.291

#### Range of Costs for Cardiac Valve Surgery<sup>‡</sup> by Hospital



‡ There are no cost ratings for this procedure.

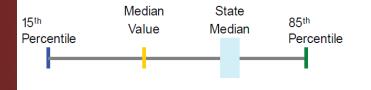
If the 15th Percentile and Median values for a hospital are equal, then only Median and 85th Percentile values are shown on the graph;

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

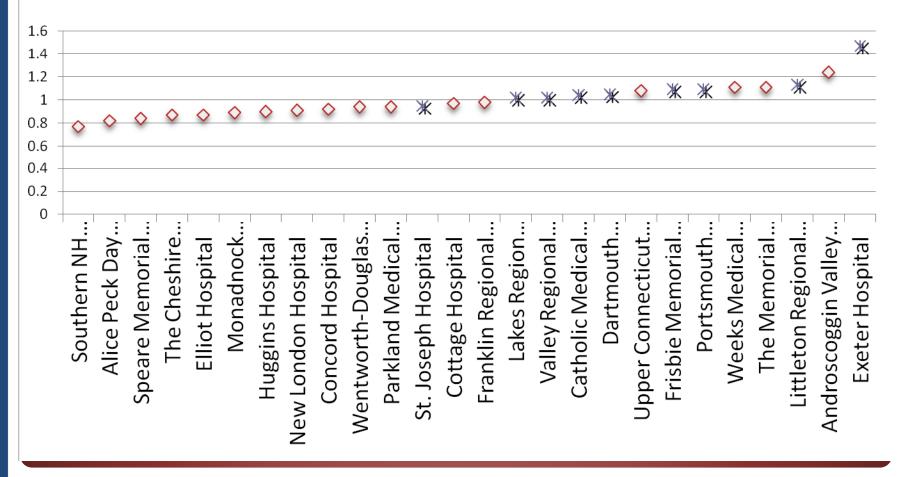


#### Cost Ratings

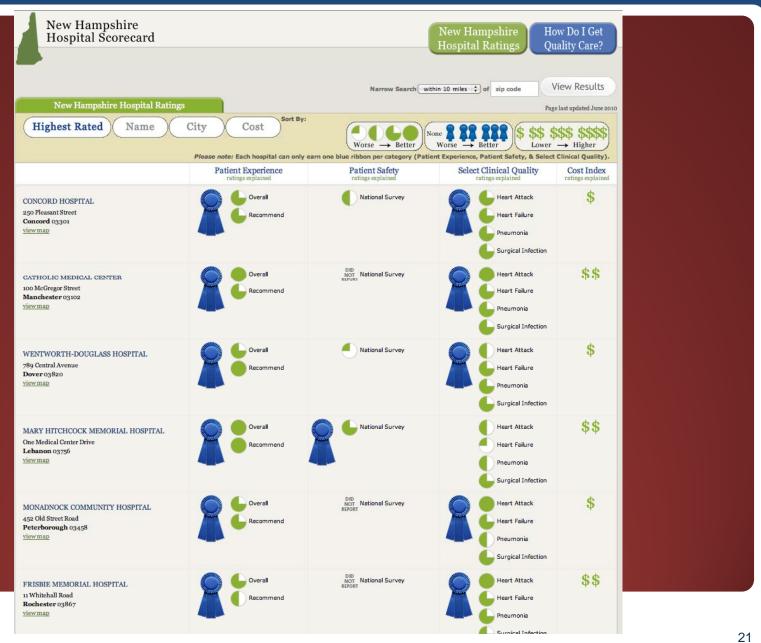
- \$ The hospital is among the least costly. This cost is lower than 85% of all hospitals in the state.
- \$\$ The hospital cost is below average. This cost is above 15% but below 50% of all hospitals in the state.
- **\$\$\$** The hospital cost is above average. This cost is above 50% but below 85% of all hospitals in the state.
- **\$\$\$\$** 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

### CY 2011 Composite Hospital Score



Tier 1=Diamond, Tier 2=Asterisk





#### NH CHIS Medicaid Cardiovascular Disease

NH	CHIS	Home
Rep	orts H	lome

Chronic Diseases

Diabetes

Mental Health Disorders

Chronic Respiratory Disease

Cardiovascular Disease Reports

Use and Cost

Categories of Service

Ambulatory Care Sensitive Conditions

Payment Categories

Emergency Department Use

Pharmacy Use and Cost

Type of Service

Payments Members per Month

Enrollment

Child Health and Care Reports

Enrollment

Mental Health Disorders

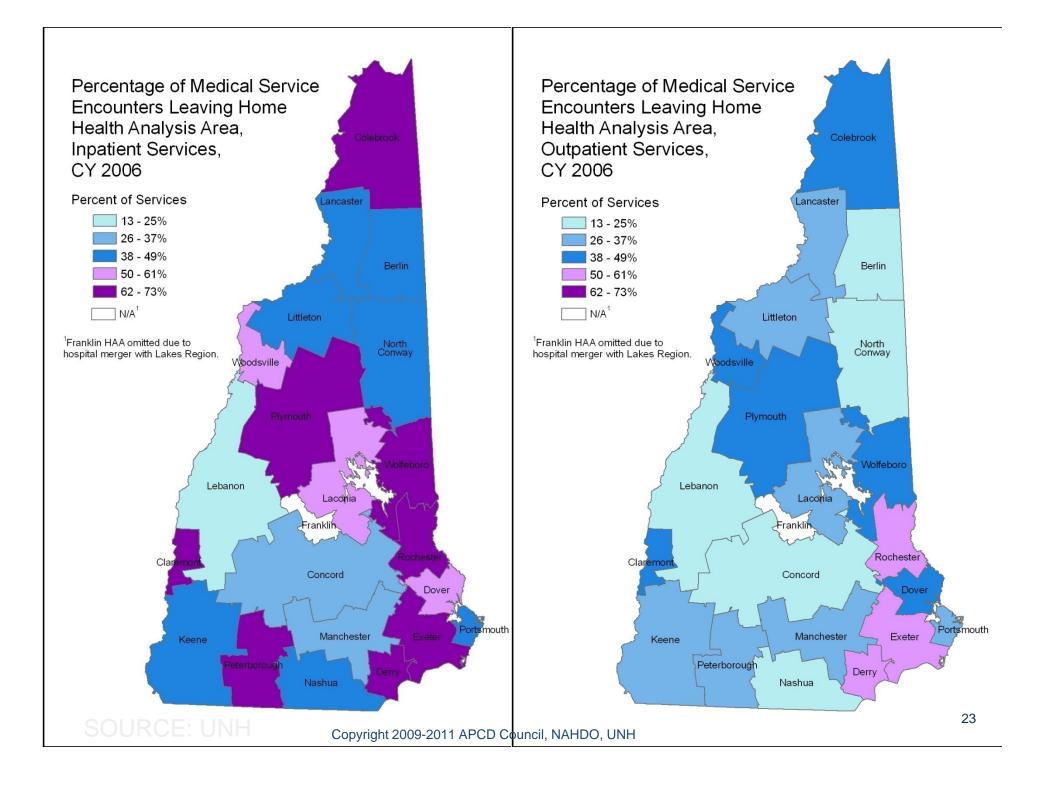
Selected Cost

Utilization

Health Status

Eligibility Category: All Elig Cat Groupings Total Medicaid Enrollment Low Income Child	Health Analysis Ar All HAA Groupings State Total Berlin Claremont	rea: Dx Group: Any Circulatory Disorder Coronary Heart Disease AMI Congestive Heart Failure	
Medicare Eligibility Selec All Members Only Members not Eligible for Medic Only Members also Eligible for Medi	are Year: 2009 \$	(Display Report)	
H CHIS Commercial Cardiov Report Type: Commercial Adult Cardiovascular D	vascular Disease	X Group (4A)	
All Commercial Groupings	All HAA Groupings	Dx Group: Any Circulatory Disorder	õ
Total Commercial Enrollment Health Maintenance Org (HMO) +	All HAA Groupings State Total Berlin	Any Circulatory Disorder Coronary Heart Disease AMI	
All Commercial Groupings Total Commercial Enrollment Health Maintenance Org (HMO) + Indemnity	All HAA Groupings State Total Berlin Claremont	Any Circulatory Disorder Coronary Heart Disease AMI	
All Commercial Groupings Total Commercial Enrollment Health Maintenance Org (HMO) + Indemnity	All HAA Groupings State Total Berlin Claremont	Any Circulatory Disorder Coronary Heart Disease AMI	0
All Commercial Groupings Total Commercial Enrollment Health Maintenance Org (HMO) + ndemnity	All HAA Groupings State Total Berlin Claremont	Any Circulatory Disorder Coronary Heart Disease AMI	

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### Medical Home Pilot Preliminary Indicators Report Total Costs by Practice Site vs. Non-Medical Home Sites July 2009-March 2010 – Commercial Payers

PRACTICE	TOTAL COST	TOTAL PMPM
Site #1	\$1,664,702	\$81
Site #2	\$2,666,268	\$104
Site #3	\$3,596,334	\$147
Site #4	\$4,949,153	\$74
Site #5	\$4,314,375	\$135
Site #6	\$1,820,459	\$148
Site #7	\$911,153	\$116
Site #8	\$1,236,719	\$87
Site #9	\$2,628,653	\$93
Total	\$23,787,817	\$103
Non-Medical Home Sites	\$1,010,233,075	\$144

\*Notes: Preliminary data, excludes pharmacy, not risk adjusted, not annualized, and not adjusted for contractual differences

### Vermont Utilization Measures - 2008 Commercial

#### Burlington Hospital Service Area: Commercially Insured Under Age 65

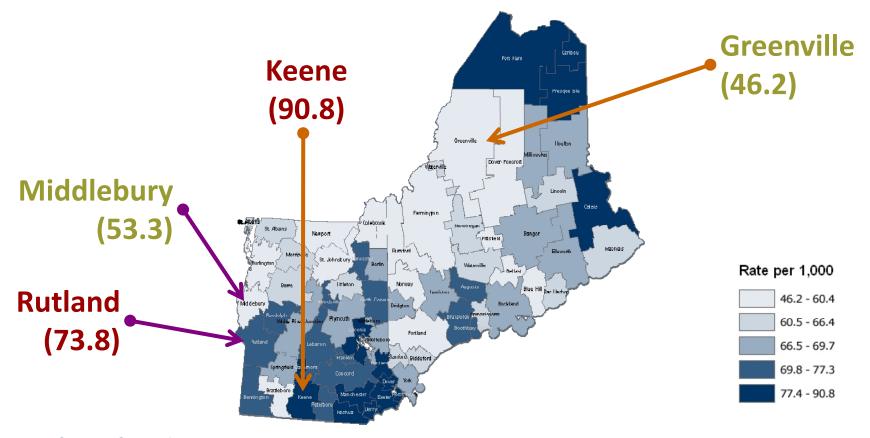
Burlington Hospita			New Hampshire	Maine	Tri-State Combined						
Utilization Measure	Average Members	Number of Services or Procedures	Adj. Rate PER 1,000	95% LCL	95% UCL	Highest VT HSA		Adj. Rate PER 1,000			Adj. Bate per 1,000
Computerized Tomography (CT)	91,200	5,885	65.6	63.9	67.3	100.4	63.3	75.66	92.02	83.82	84.8
Magnetic Resonance Imaging (MRI)	91,200	5,180	57.8	56.2	59.4	73.8	53.3	62.39	81.06	64.40	69.5
Inpatient Hospitalizations	91,200	4,025	44.3	42.9	45.7	63.9	41.2	48.07	53.69	51.35	51.3
Inpatient Readmissions Within 30 Days	91,200	302	3.38	3.01	3.79	9.13	3.27	4.73	5.67	6.15	5.70
Inpatient Hospitalizations for Ambulatory Care Sensitive Conditions	91,200	175	1.96	1.68	2.27	5.98	1.96	2.94	4.38	3.97	3.90
Outpatient Emergency Department Visits	91,200	11,478	125.1	122.8	127.4	267.2	125.1	183.25	231.67	223.99	218.2
Potentially Avoidable Outpatient Emergency Department Visits	91,200	1,478	16.1	15.2	16.9	50.8	16.1	30.74	43.35	44.91	41.5
Non-Hospital Outpatient Visits	91,200	432,716	4,799	4,784	4,813	4887	3872	4561.97	5053.43	4512	4705
Office-Clinic Visits	91,200	305,860	3,395	3,383	3,407	3683	2974	3338.45	3757.71	3254.27	3442
Chiropractic or Osteopathic Manipulation	91,200	<mark>67,</mark> 250	745	739	750	745	148	622.91	707.87	875.90	767
Hysterectomy, Females Age 20-64	34,741	141	4.09	3.44	4.83	11.37	3.38	5.79	7.19	6.94	6.78
Back Surgery, Age 20-64	67,850	201	3.01	2.61	3.46	4.32	1.81	3.01	3.81	3.77	3.62

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Medical Expenditures (excluding pharmacy claims for prescription drugs)								
Area	Member Months	Payments (millions)	Adjusted PMPM	Hospital/Facility Proportion	Physician/Other Proportion			
Burlington HSA	1,094,378	\$257.7	\$240	50.7%	49.3%			
Highest VT HSA	1,094,378	\$257.7	\$301	69.8%	49.3%			
Lowest VT HSA	71,817	\$20.1	\$240	50.7%	30.2%			
Vermont	3,262,837	\$869.2	\$261	59.5%	40.5%			
New Hampshire	5,409,270	\$1,684.2	\$317	60.0%	40.0%			
Maine	7,196,791	\$2,057.1	\$284	60.3%	39.7%			
Tri-State Combined	15,868,898	\$4,610.5	\$291	60.1%	39.9%			

http://www.bishca.state.vt.us/sites/default/files/Act49-Tri-State-Data-Compendium.pdf

# Tri-State Variation in Health Services

Advanced Imaging – MRIs

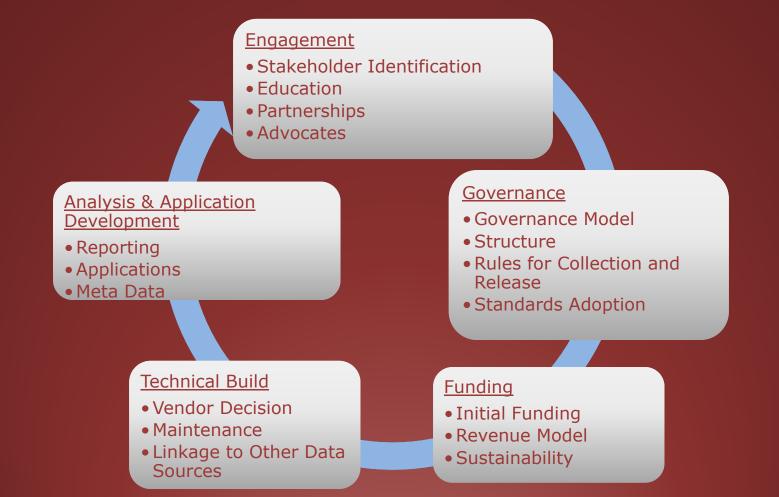


Source: State of Vermont Tri-State Variation in Health Services Utilization & Expenditures in Northern New England, June 2010

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# Lessons Learned and Challenges

# All Payer Road Map



## Lessons Learned

- Form Payer Relationships
- Be Transparent and Document
- Understand Uses and Limitations
- Seize Integration & Linkage Opportunities
- Develop Local User Analytic Consortiums
- Determination of Process for Data Management and Data Analytic Contracting

# **APCD Challenges**

- Completeness of Population Captured
- Collection & Release Standardization
- Provider as Unit of Analysis
- Non-Claim Payment Adjustments
- To-be-Developed Payment Methodologies
- Consistency Among State Databases
- Ability to Link to Other Sources
- State Revenue Models
- Federal Engagement

## **Questions and Answers**

**Contact Information** 

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> > www.APCDCouncil.org www.nahdo.org

for more resources in assisting states to move forward