Rhode Island Health Care Cost Trends Project Leveraging Multi-Payer Claims Databases for Value Conference November 14, 2018 - Providence, RI

Conference Proceedings

I. Background and Purpose

On November 14, 2018, Rhode Island state officials, providers, payers, and business and community leaders convened to discuss strategies to leverage the state's all-payer claims database (APCD). The conference was part of the broader Health Care Cost Trends Project in Rhode Island, which aims to curb health care cost growth, develop a deeper understanding of the state's health care cost drivers and create a plan for ongoing analysis of health care system performance. Click <u>here</u> for more information about Rhode Island's Health Care Cost Trends Project.

The conference marked the first in a series of discussions among the Health Care Cost Trends Project Steering Committee members and other Rhode Island stakeholders about leveraging the state's APCD, HealthFacts RI. The goals of the conference were:

- to learn from individuals from other states and a private organization that are currently using multi-payer claims databases to inform public policy discussions, promote transparency of health care costs and quality information and/or drive changes to the delivery system; and
- to identify recommended strategies to leverage HealthFacts RI to enhance the value of health care in Rhode Island, specifically to improve population health status and health care system performance and to do so in light of a soon-to-be new state cost growth target.

This report provides an overview of key topics and recommendations that emerged throughout the day. Some issues were the focus of discussion among many attendees and some garnered less discussion time, but were important topics for consideration.

II. Key Discussion Topics

Conference participants heard from four states and one private non-profit organization regarding their use of multi-payer claims databases¹. They also heard from and engaged in discussion with a subsequent panel consisting of Rhode Island providers, national experts and a state health information technology content expert about how to enhance the use of HealthFacts RI. Those discussions will inform the development of a data use strategies plan for Rhode Island. Key topics that emerged and were proposed and / or discussed in detail are described below.

¹ Guest speakers: Content experts from the Massachusetts Health Policy Commission, New Hampshire Insurance Department, Oregon Health Authority, Vermont Blueprint for Health and Washington Health Alliance. For a list of conference attendees see Attachment 1.

A. Managing HealthFacts RI

- 1. Actively and continuously engage stakeholders: Continuous provider and payer engagement are critical to building buy-in and trust, and the State can play the important role of convener. A "co-development" process with providers and payers engaged on the front end allows for collective decision-making about how to best enhance and leverage the APCD. Those stakeholders offer a critical perspective for turning data into meaningful and actionable information, which may lead to delivery system changes that may not have otherwise happened. Involving providers and payers throughout the process creates more ownership of the outputs and increases an understanding of the data findings. They could be involved in developing the data use strategy, advising or hearing from experts on a methodology for analyzing and reporting data, and validating the data. A stakeholder engagement process also achieves Rhode Island's goals of promoting transparency.
- 2. Responsibly test and then release data: Data that have been adequately and thoroughly tested, validated, reviewed and analyzed should provide a measure of confidence of readiness for release. Content experts indicated that data integrity does not mean 100% data certainty. National experts and those speaking from experience using multi-payer claims databases suggested a dry run with providers and payers to provide an opportunity to address inconsistencies or errors prior to public release. The State and stakeholders should respond to inaccuracies or inconsistencies when data are released publicly by modifying processes to assure greater accuracy and precision and / or consider issuing corrections. Following adequate an opportunity for provider and payer review, the data should be circulated widely to focus attention on findings, prompt discussions that are data-informed, and enable researchers, community-based organizations and others to analyze the data, learn from the analysis and act on it. Once information is released, discussions of opportunities and sharing of best practices can begin in earnest.
- 3. **Develop a sustainable funding model:** Currently, HealthFacts RI is being sustained through Medicaid funding with the state portion of the funding coming from data release fees. Fees are appropriate to assure data requests are valid and from reliable sources, but should not be cost-prohibitive for researchers, as they appear to be at present.² Rhode Island will benefit from researchers and other stakeholders accessing and using APCD data. Data distribution, however, must assure that proper privacy and security measures to de-identify the data remain in place. In addition, the State should examine the resources allocated to administering and maintaining the APCD against strategic priorities to ensure there are sufficient funds and staff dedicated achieving the goals of the APCD.³

² Afternoon panelists noted that the current user fees of \$100-\$200K dwarf what CMS charges for Medicare data (\$50K) for what the Health Care Cost Institute charges for its multi-payer data (\$35K). It was also noted that state funding for the APCD could represent less than .01% of the health care spending in the state.

³ Two state experts indicated that their APCD work is supported by about four full-time employees (FTEs) and one state indicated that eight FTEs support APCD operations. States indicated that staff dedicated to the APCD are primarily data analysts and one state indicated that it is seeking to hire a data scientist to enhance its

B. Leveraging the APCD for Value

- 1. Make unwarranted variation transparent: Exposing variation in utilization, cost, price and quality is an essential use of the APCD dataset.⁴ This may be reported at the provider, payer, service and / or geographic (e.g., regional, state) levels. Examining variability and benchmarking performance of providers against regional and statewide averages can reveal areas of opportunities for which the State or providers may wish to focus attention and resources. Geographic analyses can identify opportunities for improvement or intervention targeting community-specific needs and inform provider, community-level and state strategies. Transparency of health care performance variation be it cost, utilization, price and / or quality can guide discussions of appropriateness of care, sharing of best practices from higher performers and inform strategies to reduce variation deemed to be unnecessary or contributing to wasteful spending. Finally, analyses of variation can confirm hypotheses about the extent to which prices are contributing to health care spending growth.
- 2. **Identify cost drivers:** Using HealthFacts RI to better understand the primary health care cost drivers in the state is also an essential use of the APCD dataset. The analysis would reveal areas that are contributing in an outsized way to health care spending and focus attention and resources on strategies and interventions to slow the spend. Such analysis would support provider and payer efforts to constrain cost growth to the state's new cost growth target.
- 3. **Consider the development of a community analytics resource:** There are many providers and payers in Rhode Island that have invested in and developed sophisticated data analytics capabilities to manage health care costs and utilization. It is important to consider how a data use strategy for HealthFacts RI can focus resources to support providers with less advanced data capabilities and not duplicate efforts. Rhode Island should also think about how the APCD can support and augment those data analytics, for example using the APCD to provide a deeper dive into areas that can inform and support targeted efforts.

III. <u>Next Steps</u>

The conference kicked off discussions of a data use strategy for Rhode Island. The Health Care Cost Trends Steering Committee will continue discussing strategies for leveraging HealthFacts RI at monthly meetings beginning in January 2019. The Steering Committee meetings are open to the public and information about location and time are posted on the Office of the Health Insurance Commissioner (OHIC) <u>website</u>. In spring 2019, OHIC will post for public comment a set of recommendations for using and maximizing the APCD dataset to provide better care for Rhode Islanders. The final recommendations will be shared at a public meeting in May 2019.

capabilities. Most states also use a contractor to support data collection, cleaning and validation. Some states also indicated that other state agencies may provide analytic support on an as-needed or targeted basis.

⁴ Disparities in reimbursement rates was raised as an important issue particularly as the State seeks to implement a cost growth target and the concern the target will have on rate negotiation for smaller providers.

First Name Last Name Organization David Auerbach Massachusetts Health Policy Commission Tim Babineau Lifespan Michael Bailit **Bailit Health** Rhode Island Executive Office of Health and Human Services Eric Beane Noah Benedict Rhode Island Primary Care Physicians Corporation Tvler Brannen New Hampshire Insurance Department Niall Brennan Health Care Cost Institute A1 Rhode Island Business Group on Health Charbonneau Lachen Chernyha Rhode Island Public Expenditure Council Mark Cole Blue Cross Blue Shield of Rhode Island Cole Megan **Boston University** Collins **Oregon Health Authority** Jon Iim Fanale Care New England Elaine Fontaine Rhode Island Quality Institute John Freedman Freedman HealthCare Andrea Galgay Rhode Island Primary Care Physicians Corporation Marie Ganim Rhode Island Office of the Health Insurance Commissioner Louis Giancola South County Health Giunto Nancy Washington Health Alliance The Economic Progress Institute Linda Katz John Keimig Healthcentric Advisors Office of the National Coordinator for Health Information Technology Kate Kiefert Rhode Island Office of the Health Insurance Commissioner Cory King A1 Kurose Coastal Medical Melissa Lauer Rhode Island Executive Office of Health and Human Services Beth Marootian Neighborhood Health Plan of Rhode Island Joanne Michaud Brown University School of Public Health Mary Kate Mohlman Vermont Blueprint for Health Moynihan Dan Lifespan Kim Paull Rhode Island Executive Office of Health and Human Services Porfilio Governor's Office Jaclyn Poulin Tufts Health Plan Mary Al Puerini Rhode Island Primary Care Physicians Corporation (RIPCPC) Rambur Betty University of Rhode Island College of Nursing Tinisha Richards UnitedHealthcare of New England Rhode Island Parent Information Network Salganik Sam

Attachment 1: Conference Attendees

| First Name | Last Name | Organization |
|--------------|------------|--|
| Stacey | Schubert | Oregon Health Authority |
| John | Simmons | Rhode Island Public Expenditure Council |
| Frederica | Stahl | Peterson Center on Healthcare |
| Mark | Stewart | Blue Cross Blue Shield of Rhode Island |
| Erin | Taylor | Bailit Health |
| Anya Rader | Wallack | Brown University School of Public Health |
| Jay | Want | Peterson Center on Healthcare |
| Teresa Paiva | Weed | Hospital Association of Rhode Island |
| Emily | Weisberger | Peterson Center on Healthcare |
| Ira | Wilson | Brown University School of Public Health |
| Larry | Wilson | The Wilson Organization |
| Pano | Yeracaris | Care Transformation Collaborative – Rhode Island |
| Justine | Zayhowski | Bailit Health |
| Danya | Zimmer | Tufts Health Plan |
| Emily | Zyborowicz | Peterson Center on Healthcare |