

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 2656
Version: As introduced

DATE: March 5, 2014

Authors: Huntley

Subject: All-Payer Claims Data

Analyst: Randall Chun, (651) 296-8639

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/hrd.htm.

Overview

The commissioner of health is required to develop a peer grouping system for providers that incorporates risk-adjusted cost of care and quality of care. One of the goals of provider peer grouping is to provide comparative information to consumers on variation in health care cost and quality across providers. As part of the provider peer grouping process, health plan companies and third-party administrators are required to submit encounter and pricing data to an entity designated by the commissioner of health. The commissioner is allowed to use the data submitted only to carry out responsibilities related to administering the provider peer grouping system.

This bill suspends the development and implementation of the provider peer grouping system, expands the allowable uses of the encounter and pricing data submitted, eliminates the provider peer grouping advisory committee and other related work groups, and establishes a work group to develop a framework for the expanded use of the all-payer claims data base.

Section

- 1 Calculation of health care costs and quality.** Amends § 62U.04, subd. 2. Makes a conforming change related to the elimination of the peer grouping advisory committee.
- 2 Provider peer grouping; system development.** Amends § 62U.04, subd. 3. Eliminates the requirement that the commissioner of health establish and consult with an advisory committee when developing and administering the peer grouping system.
- 3 Provider peer grouping; appeals process.** Amends § 62U.04, subd. 3b. Makes a

Section

conforming change related to the elimination of the peer grouping advisory committee.

- 4 Provider peer grouping; publication of information for the public.** Amends § 62U.04, subd. 3c. Eliminates the requirement that the commissioner convene a work group to make recommendations on data to be made available to hospitals and clinics to allow verification of provider peer grouping results.
- 5 Provider peer grouping; standards for dissemination and publication.** Amends § 62U.04, subd. 3d. Makes conforming changes related to the elimination of the peer grouping advisory committee.
- 6 Encounter data.** Amends § 62U.04, subd. 4. Eliminates a provision that requires the commissioner to use the encounter data submitted by health plan companies and third-party administrators only to carry out responsibilities under § 62U.04.
- 7 Pricing data.** Amends § 62U.04, subd. 5. Eliminates a provision that requires the commissioner to use the pricing data submitted by health plan companies and third-party administrators only to carry out responsibilities under § 62U.04.
- 8 Suspension.** Amends § 62U.04, by adding subd. 10. Directs the commissioner to suspend the development and implementation of the provider peer grouping system.
- 9 Restricted uses of the all-payer claims data.** Amends § 62U.04, by adding subd. 11. (a) States that the commissioner or a designee shall use the encounter and pricing data submitted under subdivisions 4 and 5 only to:
 - (1) evaluate the performance of the health care home program, including the impact of health care homes on health care costs, quality, and utilization;
 - (2) study hospital readmission trends and rates, in collaboration with the Reducing Avoidable Readmissions Effectively campaign;
 - (3) analyze variations in health care costs, quality, and utilization, based on geographical areas, delivery models, or populations; and
 - (4) evaluate the state innovation model (SIM) grant, including an analysis of health care cost, quality, and utilization baseline and trend information for targeted populations and communities.(b) Allows the commissioner to publish the results of the authorized uses in paragraph (a), as long as the data released publicly do not contain information or descriptions that would allow the identification of individual hospitals, clinics, or other providers.
- 10 All-payer claims database work group.** (a) Requires the commissioner of health to convene a work group to develop a framework for the expanded use of the all-payer claims database. Requires the work group to develop recommendations based on specified questions. These questions address issues related to: parameters for allowable uses, criteria and processes for evaluating data requests, the appropriate advisory or governing body, funding and fee structures, mechanisms for releasing or accessing data, privacy and security

Section

protections, and additional resources that may be needed.

(b) Specifies membership of the work group.

(c) Requires the commissioner to submit a report on the recommendations of the work group to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services, judiciary, and civil law, by February 1, 2015.

11 **Repealer.** Repeals § 62U.04, subd. 7 (requirement that the commissioner of health convene a work group to develop strategies for consumer engagement in health care). Provides an immediate effective date.