

Provider Peer Grouping and Encounter Data Collection

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What is Provider Peer Grouping?

- Core component of payment reform and transparency goals
- Comparison of health care providers on a combined measure of quality and risk-adjusted cost of care
- 2008 health reform law requires:
 - Methodology developed by January, 2010
 - Initial results reported to providers in June, 2010
 - Results publicly reported beginning in September, 2010

Provider Peer Grouping: How Will the Results Be Used?

- Provider peer grouping will be based on a composite measure of cost and quality
 - A useful consumer tool for decision making
 - A tool for employers and health plans to strengthen enrollees incentives to consider quality and cost
 - A tool for payers to strengthen provider incentives for quality and efficiency
- Building block for additional payment reforms and incentive structures

Provider Peer Grouping: What Data is Needed?

- Quality measures
- Utilization of health services – Resource use
- Price of health services – Cost of resources

Developing the Methodology for Provider Peer Grouping

- MDH is currently soliciting stakeholder input through a Request for Information, available at www.health.state.mn.us/healthreform/peer.html . Issues include:
 - Provider attribution of costs and quality
 - Adjustment for outlier or catastrophic cases
 - Risk adjustment for differences in the demographics and health status across provider patient populations
 - Providers and health services to include in the calculations
 - Payer mix adjustments
- Responses due **April 20, 2009**
- Synthesis of feedback and comments – Spring 2009
- Public advisory group process to discuss methodological issues and make recommendations to the Commissioner of Health – Summer and early fall 2009

Provider Peer Grouping: Quality Measure Inputs

- Potential Quality Data Sources
 - Statewide quality reporting system
 - 62U.02
 - Standard Statewide Quality Measures
 - Builds on work of Minnesota Community Measurement, MMA, MHA, and Stratis Health
 - Measures to be established in Rule by July 2009
 - CMS quality measurement programs
 - AHRQ quality measures
 - Other Specialty Society and National Efforts

Provider Peer Grouping: Utilization and Price Inputs

- Utilization of health services
 - De-identified encounter data
 - Enrollment data
 - 62U.04, subd. 4
- Price of health services
 - Contracted prices
 - Includes both health plan and member liability
 - 62U.04, subd. 5

Encounter Data Collection: Statutory Requirements

- MDH required to contract with a private vendor to collect this data
- Data collected must be de-identified data
 - No way to identify patients
- Data collection required to begin July 1, 2009 to facilitate provider peer grouping by January 1, 2010
- Data use limited to 62U.04 – Provider peer grouping

Provider Peer Grouping: Encounter Data Collection

- MDH required to contract with a private vendor
- MDH published a competitive RFP for data system design and implementation in October 2008
 - Received 3 proposals
- MDH signed a 26-month, \$1.2 million dollar contract with the Maine Health Information Center in December 2008

Encounter Data Collection: Why MHIC?

- **Maine Health Information Center**
 - Customizing an existing product that succeeded in 4 other states
 - Experience working with over 150 payers
 - Lowest cost and only vendor to come in under RFP budget
 - Implemented Massachusetts' encounter data system on a more accelerated timeline than MN

Encounter Data Collection: Public Process & Transparency

- MDH and MHIC have met regularly with health plans and TPAs to discuss data requirements
 - Public group meetings
 - Individualized one-on-one meetings
 - Identify and resolve technical issues and ensure consistency with Minnesota's uniform billing efforts
- MDH is committed to working with all stakeholders in a public, open, and transparent manner
 - Data collection efforts
 - Provider peer grouping methodologies
 - Ensuring data privacy and security

Encounter Data Collection: Data Privacy Protections

- Encounter data provisions of the health reform law received significant Legislative review in the 2008 Session
 - **Senate File 3099**
 - In 1st Engrossment on March 4, 2008
 - Reviewed by the Judiciary Committee specifically for data collection provisions
 - **House File 3199**
 - In 3rd Engrossment on March 13, 2008

Encounter Data Collection: Data Privacy Protections

- Encounter data is protected by Minnesota's data practices laws, including:
 - Minnesota Government Data Practices Act (Ch. 13)
 - De-identification of patient information (62U.04, subd. 4)
- MHIC is contractually subject to all Minnesota laws and requirements
 - MDH/MHIC contract expressly prohibits any disclosure of Minnesota's encounter data
 - MDH/MHIC contract expressly prohibits any independent use of Minnesota's encounter data
 - MDH/MHIC contract requires Minnesota encounter data to be segregated from other States' data.

Encounter Data Collection: Data Privacy Protections

- MDH and MHIC will maintain the highest security standards:
 - Patient identifying data is removed or de-identified using encryption
 - All encryption is “**one-way encryption**” meaning that it is **mathematically impossible to un-encrypt** the data
 - All encryption is done at the health plan or TPA **before the data is submitted**
 - MDH staff do not have access to the data
 - MHIC is required to maintain state-of-the-art industry standards