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National Committee on Vital and Health Statistics (NCVHS) Hearing on Claims-based Databases for Policy Development and Evaluation June 17, 2016

My name is Michael Lundberg, and I serve as the Executive Director of Virginia Health Information (VHI)--a nonprofit health data organization located in Richmond, VA. I'd like to share some background information on Virginia, All Payer Claims Databases and why they are so important to consumers, policymakers and others.

In 1993, Virginia became the 38th state to establish a hospital patient level data system. Based on the UB-82, an early standard for billing of individual patient's hospital care, these data were eagerly anticipated to help businesses and consumers make better informed health care decisions and to support public health and policy. As health care costs continued their upward spiral, employers and payers were looking for ways to control costs while many assumed that the quality of care was good wherever it was provided. Hospital discharge data did not disappoint those yearning to get a better idea of what care was provided, by whom as well as a general idea of the outcomes. These administrative claims data are still very valuable for describing the care received in hospitals. Some states also established outpatient surgical care databases to further fill in the gaps about what is provided versus what is reported.

While many have recognized the importance of understanding the care paths taken, access to all care provided to an individual has only come about in more recent years. It is not that these data were not collected, they simply were not widely available to any but the largest employers or government programs and to support research.

Today we are moving down the Triple Aim's winding road for better health, better care and lower costs. One approach to that journey is value based purchasing. Every foot of this road depends on comprehensive information on the use of services, their cost and quality for inpatient and outpatient care. This information must be complete to be used effectively for population health evaluation, improvement and monitoring. Like many health departments, the Virginia Department of Health has a key role in understanding the health of Virginians, conducting programs to improve access to care and reducing disparities while being a good steward of funds needed to accomplish these goals. Comprehensive All Payer Claims Databases are an important tool. Health systems and payers need comprehensive information in Accountable Care Organizations. Consumers and businesses need information on cost and quality given rising costs and more cost sharing by consumers.

Virginia's voluntary APCD contains comprehensive claims information on over 2. 4 million fully insured and employer self-insured individuals including state employees. Medicaid beneficiaries are also included and number around 1.3 million Virginians. These public and private programs can provide important insights into the health of Virginians and lead the way to continued innovation in how care is provided to support better health, better care and lower costs.

What VHI currently lacks is information on other government sponsored programs including approximately 2.6 million Virginians with insurance coverage through Medicare, TRICARE and FEHP.

We are pleased by the efforts of CMS to potentially expand our ability to use Medicare data through the Qualified Entity (QE) program. Comprehensive information on the health of older Virginians is critical towards helping them stay healthy. Similarly, we are pleased that there may also be a path President Ibe Mbanu, MD, MBA, MPH

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to including FEHB information and look forward to working with them to responsibly access these data in a secure and responsible fashion. We also believe information from APCDs can also benefit government programs, and we do provide information back to those submitting claims data.

We understand that across the country payers are asked or required to provide APCD data in a variety of formats. This is burdensome. While many states have very similar requirements for data submission, we do support a standard set of information in the same format across states. We should not assume that payers have unlimited resources to meet varying requirements across states.

All Payer Claims Databases are an important tool for Virginia and other states to help consumers choose providers based on cost and quality. In Virginia, our health department is using the APCD to understand the burden of diseases such as diabetes and heart disease. APCD information is also supporting efforts to address the horrific increase in deaths from opioid addiction and the many issues related to behavioral health access and treatment.

While resources to operate APCDs are always a concern and vary by state, complete information from all government health insurance programs will greatly increase the value of APCDs to all stakeholders. We support an ongoing dialogue to increase the utility of APCDs while addressing concerns of the burden of submission.

Sincerely,

Michael T. Lundberg

Executive Director