

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

June 17, 2016

Statement from the Office of Personnel Management

The U.S. Office of Personnel Management (OPM) administers the Federal Employees Health Benefits (FEHB) Program on behalf of federal agencies. The FEHB is a \$48 billion health insurance program covering more than 8.2 million federal employees, retirees and their dependents as well as employees of tribal organizations. To administer the program, OPM contracts with 97 health insurance carriers which offer 257 plan options in every state of the union and overseas. FEHB is one of the premier benefits the government uses to recruit individuals to the federal workforce.

OPM recognizes that access to health claims information benefits purchasers and consumers. Purchasers are better able to understand the experience of their covered populations with regard to the utilization of specific services, the cost of services, and the quality of care provided. Consumers are better able to understand the choices they are making with accurate information about their health experience. The FEHB program, established in 1959, was the original health care marketplace and we continue to emphasize the value of consumer choice in driving quality and efficiency.

The adoption of modern health information technology (HIT) assists FEHB members by giving them fast and easy access to their personal health information. In 2011, the Office of Personnel Management (OPM) specifically encouraged plan involvement in Blue Button¹ and provides information on its website for enrollees and health plans to support access to individual health information. Access to Personal Health Records (PHR) helps members become more engaged in managing their own health and the care that they receive. Based on our most recent data call (2014) on this topic, about 90 percent of plans offer enrollee access to a PHR on their website, which allows members to:

- Review medical, facility, pharmacy, and laboratory claims or clinical information all in one location.
- Record allergies and immunizations, family health history, advanced directives, and personal contacts.
- Print or download historical claims and personal health information that can be taken to appointments.
- Manage health and wellness by accessing web links to the plan's provider directory, completing a health risk assessment and reviewing online health and wellness information targeted to the member's specific health condition.
- Access health trackers to monitor blood pressure, cholesterol, and weight.
- Access calendars or provide reminders or prompts for preventive services and screenings.
- Be alerted to adverse drug interactions.

As of the most recent HIT carrier data provided to OPM in 2014, 41 percent of plans provide online tools that model a member's projected annual health care spending, estimating out-of-pocket costs and tax implications. A slightly higher number, 54 percent of plans, reported providing tools that show the current balances for personal health accounts and check spending against plan deductibles and out-of-

¹ Blue Button lets the enrollee go online and download her health records. <https://www.healthit.gov/patients-families/blue-button/about-blue-button>

pocket maximums. 63 percent of plans have online physician or hospital cost estimators or comparison tools and 75 percent have tools that compare physician or hospital quality available on their websites.

OPM has also required all FEHB plans to make prescription drug cost calculators available on their websites in 2016 not only for their current members, but also for prospective members. This allows consumers to determine the expected costs of their prescription medicines.

Additionally, the websites of many plans include data on accreditation status, clinical effectiveness of care performance measures from the Healthcare Effectiveness Data and Information Set (HEDIS), health plan member satisfaction data from the Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey, hospital accreditation status and national quality improvement goals from The Joint Commission, and hospital patient safety information from The Leapfrog Group.

The FEHB program has been a proponent of electronic health information exchange since 2009 through call letters and communication with participating health plans. OPM supports its Federal partners in the effort to advance HIT and recently offered a statement of support for the Office of the National Coordinator's "Shared Nationwide Interoperability Roadmap."²

In that statement, OPM noted that "The exchange of health data through safe and secure channels using common standards and protocols will lead to better care for our enrollees and a more efficient health system overall. OPM appreciates the leadership of the HHS Office of the National Coordinator on this issue and commits to working with our 97 contracted health insurance carriers to incorporate these standards and data sharing protocol in their information systems."

In the last 18 months, a number of FEHB carriers have reported to OPM that state All Payer Claims Databases (APCDs) are requesting that carriers submit health claims to them. At the same time, OPM has been approached by state APCDs with requests to instruct FEHB plans to provide identifiable health claims data to their databases.

The growing number of state APCDs - 21 states with APCDs in place or under development - is in response to the increasing need for comprehensive, multi-payer data that allows stakeholders at every level to better understand the cost, quality and utilization of health care for target populations.³

APCDs establish a foundation for healthcare transparency and informed decision making at the state level through the collection, aggregation and analysis of health care data from disparate sources, which overcomes the interoperability issues that often inhibit data analytics across various, distinct data sets. This centralized collection facilitates population health research across many areas, including: health care utilization, access to care, health care quality, and health care costs.

In turn, the data made available through APCDs informs stakeholders across the health care continuum. Data sharing through APCDs helps consumers become more informed about health care purchasing decisions and encourages providers to focus on quality improvement. The Oregon Health Authority publishes data from the state's APCD on a quarterly basis tracking the number of people enrolled with a

² <https://www.healthit.gov/policy-researchers-implementers/interoperability>

³ http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2014/rwjf409988

health insurer, utilization of key health services by payer type, and spending per enrollee per month by payer type.⁴

Additionally, data sharing allows policymakers to identify the major trends in health care spending and utilization and also facilitates targeted population health initiatives and reform efforts. For example, in New Hampshire, use of HealthCost, a consumer-focused price transparency tool developed from data in the state's APCD, has been credited with drawing attention to wide price differentials in area hospitals for the same procedure.⁵

Currently, OPM is aware of eleven states that have mandated APCDs (legislation requires plans to submit data- Maine, New Hampshire, Vermont, Massachusetts, Maryland, Tennessee, Minnesota, Kansas, Colorado, Utah, and Oregon), three states have voluntary APCDs (Washington, California, and Wisconsin) and seven other states are in the process of establishing APCDs (Rhode Island, Connecticut, New York, Virginia, West Virginia, Arkansas and Nebraska).

OPM is aware that state APCDs have been working with CMS to add Medicare data to their databases. It is our understanding that CMS submits data to state APCDs that have requested data and followed the request process or have been certified as qualified entities (QEs). CMS has developed a 'state agency data request' process for states requesting Medicare data for research that is "directed and partially funded by the state⁶." All other APCDs, as well as state agencies or entities that do not qualify, may apply for CMS data through ResDAC or may become a Qualified Entity to receive data.

OPM has been assessing the current operations of state APCDs in order to develop a uniform policy to support healthcare interoperability while maintaining privacy and security. OPM has committed to working with Federal partners and health care entities to ensure safe and secure data sharing. Supporting data exchange at the state level through APCDs is an integral part of this commitment.

There is nothing in OPM's statute that prevents FEHB health plans from releasing data to state APCDs. At this time, a few FEHB health plans have confirmed that they have chosen to submit data to their state APCDs, and APCDs and other entities have acknowledged that FEHB plans have submitted FEHB enrollee data along with their other commercial claims. OPM endeavors to develop a consistent program-wide policy encouraging contracted plans to supply data to state APCDs, especially where there is a state mandate in place. To do so, OPM is in the process of updating its standard contract language and adjusting requirements for plan brochure language.

While OPM encourages health plan collaboration with state APCDs, it also recognizes the vital importance of privacy and security. Health plans must abide by all existing laws and regulations, and should emulate best practices related to information privacy and security. Furthermore, OPM requires that carriers take all necessary steps to minimize risk and ensure that data shared with any entity, including state APCDs, is secure during transmission as well as at rest on all systems.

As a very large purchaser of health services, OPM is also interested in analyzing health claims information to better inform its contracting with health plans around cost, access and quality and to

⁴ http://www.oregon.gov/oha/OHPR/RSCH/docs/All_Payer_all_Claims/2015_APAC_Report_FINAL_092515.pdf

⁵ <http://www.apcdouncil.org/publication/moving-markets-lessons-new-hampshires-health-care-price-transparency-experiment>

⁶ <http://www.resdac.org/cms-data/request/state-agency>

improve the overall health of the covered population through its wellness and preventive services work with federal agencies and organizations representing retirees. OPM published two Systems of Records Notices (SORNs)⁷ to address the establishment of its health claims data warehouse. OPM has built the necessary systems; our next step is to populate the data warehouse with health plan data. Understanding the extremely sensitive nature of the data in the system, OPM has taken additional precautions (and time) to design the safest and most secure system possible protecting personal health information based on the latest technical safeguards available.

⁷ <https://www.opm.gov/information-management/privacy-policy/sorn/opm-sorn-central-15-health-claims-data-warehouse.pdf> ; <https://www.opm.gov/information-management/privacy-policy/sorn/opm-sorn-central-18-federal-employees-health-benefits-program-claims-data-warehouse.pdf>