



# DEVELOPING MEASURES AND ANALYTIC APPROACHES

State Health Reform Assistance Network

APCD Small Group Convening

New Orleans, LA

January 23, 2014

# Agenda

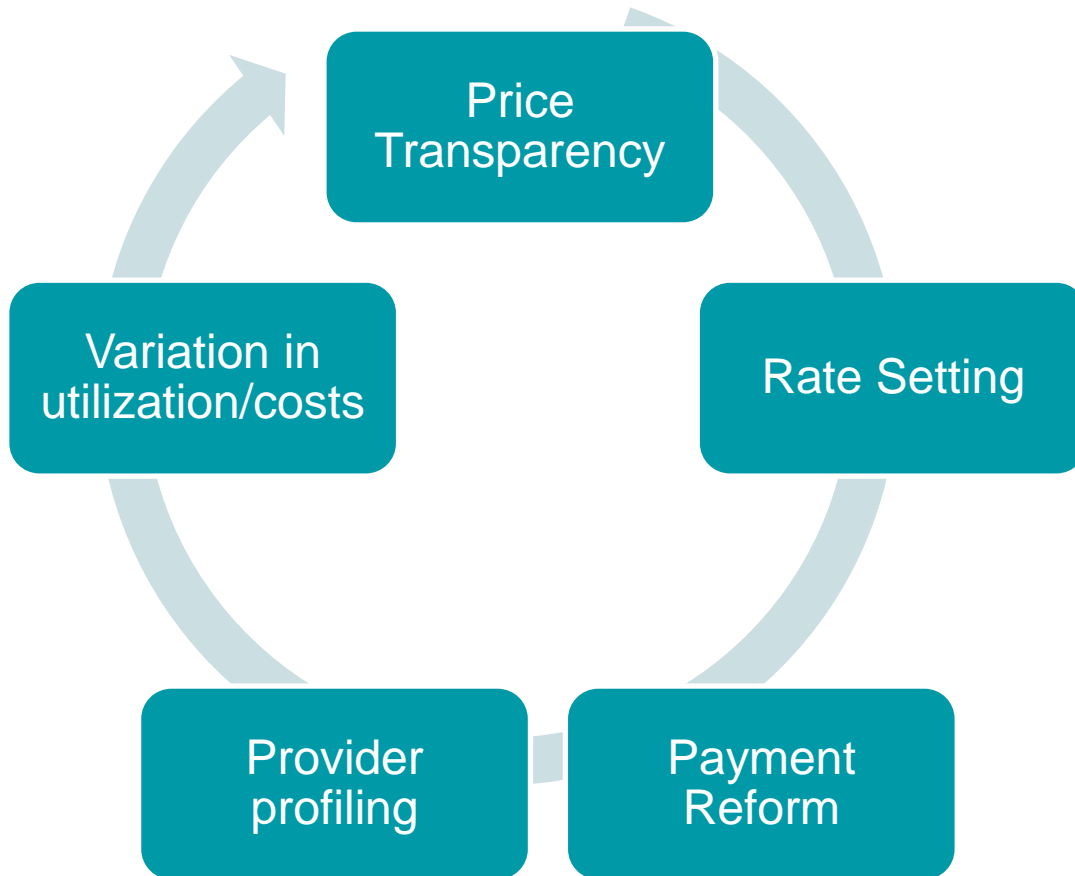
## State Experiences – Developing Analytics

- Goals and Constraints
- Infrastructure
- Vendor relationships

## Using APCDs to Understand \$\$\$

- Key definitions
- Challenges
- Tools

# Analytic Goals: Evolve Over Time



**DRIVE CHANGE**

# Analytic priorities also shaped by constraints

## Statutory

- Can limit:
  - **Who** has access to the data
  - **What** types of reports can be created
  - **When** data and reports are released
  - **Where** data are housed



## Budgetary

- Increased analytic sophistication → increased cost
- Longer-term sustainability

*...and all of the above can change over time*

# Infrastructure – What to do “In House”

Intake

Data cleaning

Reporting

Analytics

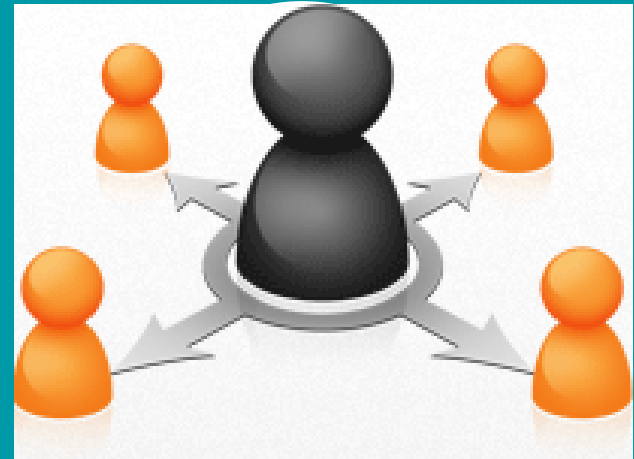


Warehousing

# State APCD Models



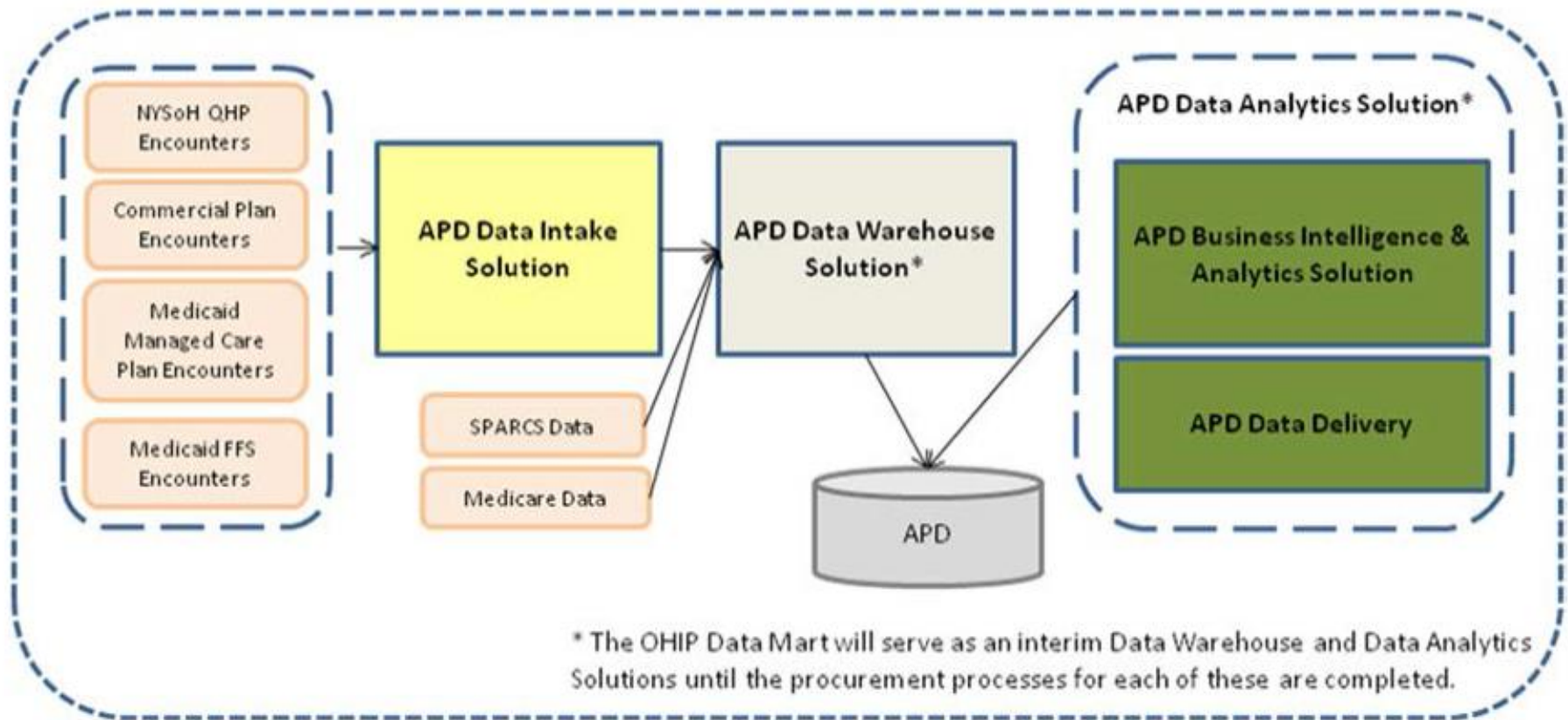
“In House”



“Outsourced”



# Example: New York's Solution



# Vendor Relationships





# Vendor Relationships: Considerations

Expertise Needed

Adaptability and Responsiveness

Proprietary Analytics

Opportunities to Integrate with  
Other Reporting Systems

**Getting Started**

**Evaluating Ongoing Relationships**

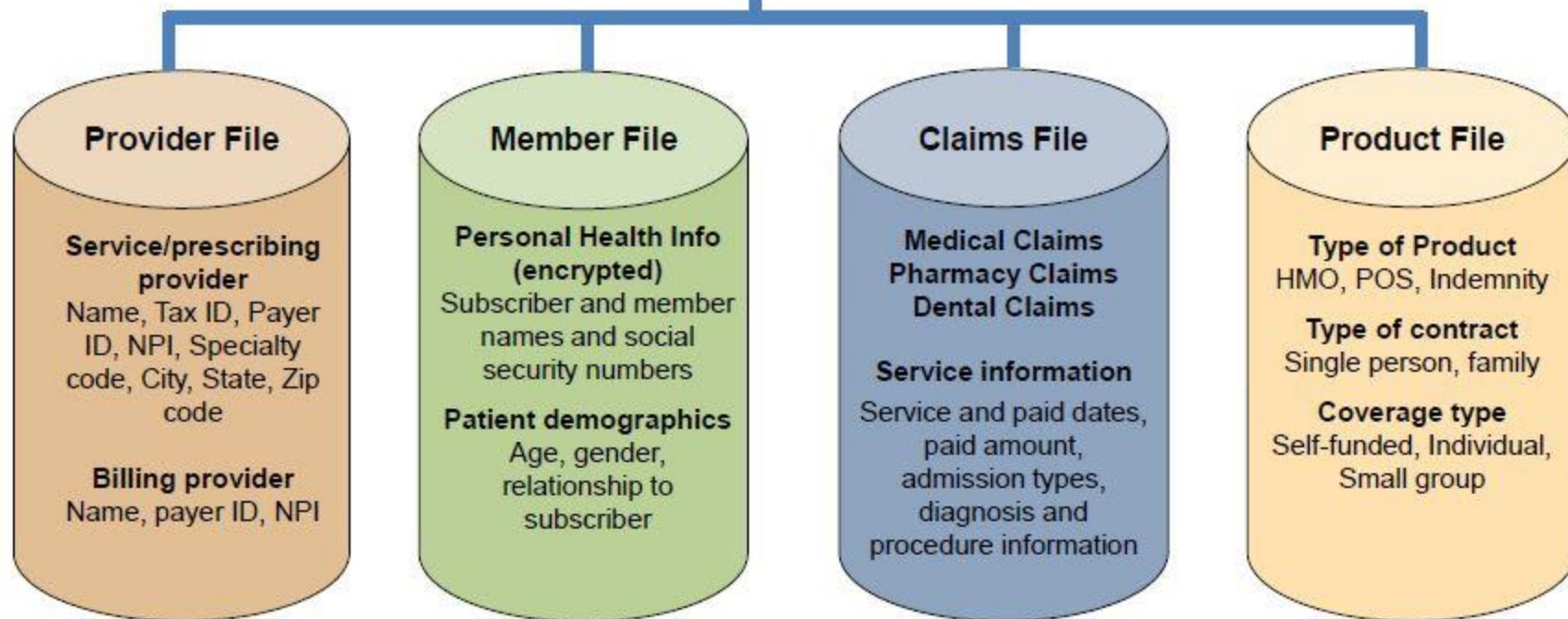
Difficult of Changing  
Vendors Downstream

Increased Need for Localized and  
Ad Hoc reporting Capabilities

Vendor's Willingness to  
Build Capacity



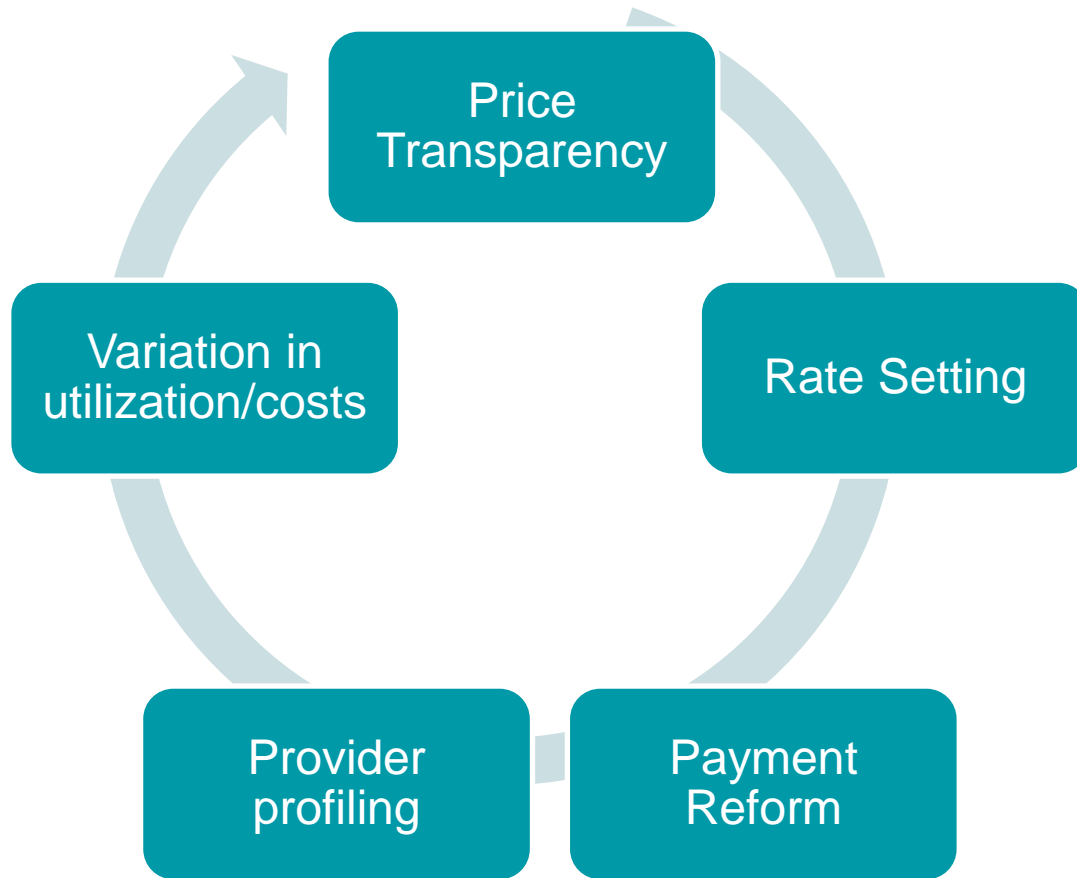
# All-Payer Claims Database



# Using APCDs for understanding...



# Goals



**DRIVE CHANGE**

# Definitions

- Price to a payer: the negotiated amount paid to a provider for a given service
- Price to a patient: the amount paid out of pocket for a given service
- Charges: the amount a provider charges for a given service

# Common \$\$ APCD Fields

APCD MEDICAL DATA REPORTING  
Proposed Core Set of Data Elements for Data Submission  
APCD Council, UNH and NAHDO, October 2011

<b>Data Element Name</b>
<b>Payer</b>
<b>National Plan ID</b>
<b>Insurance Type/Product Code</b>
<b>Payer Claim Control Number</b>
<b>Quantity</b>
<b>Charge Amount</b>
<b>Paid Amount</b>
<b>Prepaid Amount</b>
<b>Co-pay Amount</b>
<b>Coinsurance Amount</b>
<b>Deductible Amount</b>

# Dealing with \$\$\$ in APCDs .. some issues

- Consolidating data across payers
  - Mix of FFS and capitated claims
  - Claims run-out
  - Risk sharing contract issues
  - Standardizing data definitions and formats
- Consistency and reliability **within** 1 payer's data
  - Changes in processing policies and edits
  - Carve-outs
  - Risk sharing contracts



# Making Sense out of \$\$

- **Episodes**: One payment to providers for multiple services associated with an episode of care.
- **Total Cost of Care**: Annual total costs for similar cohorts of patients



# Tools to help: Groupers

- Episodes:

- MS-DRGs
- ETGs
- MEGs
- APR-DRGs

- Total Cost of Care:

- CDPS
- ACGs
- CMS-HCCs
- HHS-HCCs
- DxCGs
- CRGs,
- ERGs

# Considerations

- Very similar in logic, data use, and predictive accuracy
- Some have certain advantages for specific applications



# Technical Assistance

- SHADAC available to
  - Talk through analytic challenges, measurement approaches, etc.
  - Review/provide feedback on analytic RFPs, deliverables, reporting formats, etc.
  - Facilitate peer-to-peer learning on analytic challenges and strategies

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