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Introduction

This State Health Policy Highlight looks at the progress several states and one community organization have made in strategic use of their multi-payer claims databases and offers considerations for states that are seeking to optimize their own claims databases to achieve health care system performance improvement goals.

Multi-Payer Claims Data Use Categories

Many states have been leveraging their claims databases for sophisticated analyses of quality and costs of health care, including provider, payer, and geographic variation in quality and utilization. The following table identifies strategic approaches of four states and one community organization. Additional details of how those entities are using their claims databases are described in a companion State Health and Value Strategies (SHVS) program [issue brief](#).

Data Use Category	State/Organization
1. Support ongoing regulatory activity and analysis of potential policy initiatives	New Hampshire Oregon
2. Promote transparency for consumers and policymakers with cost and quality reporting and tools	Massachusetts Washington Health Alliance
3. Support specific regional or provider-level delivery system improvement activity	Vermont

Considerations for States: Developing a Data Use Strategy to Leverage Claims Databases

Experienced states and community organizations have many lessons to offer other states and coalitions seeking to optimize their own databases.

- › **Active and continuous engagement of stakeholders:** Continuous provider, payer, and consumer engagement is critical to building buy-in and trust, and states play an important role in bringing stakeholders together. A process that engages these stakeholders in development of a data use strategy allows for collective decision-making about how to best enhance and leverage claims databases.
- › **Engage in responsible testing of data prior to release:** Data that has been adequately and thoroughly tested, validated, reviewed, and analyzed should provide a measure of confidence of readiness for release. State and national experts suggest that testing include a dry run with providers and payers to provide an opportunity to address inconsistencies or errors prior to public release.
- › **Circulate data and findings broadly:** Following adequate opportunity for provider and payer review, data should be circulated widely to focus attention on findings, promote discussions that are data-informed, and enable researchers, community-based organizations and others to analyze the data, learn from the analysis, and act.
- › **Consider how state analysis should complement that occurring at provider and payer levels:** States should consider how their broad data use strategy could focus resources to support providers with less advanced data capabilities, and not duplicate efforts of providers and payers already performing their own analyses.

Conclusion

Multi-payer claims databases hold the potential for states to gain insight into how their health care systems are operating. States should ensure that the way in which they are leveraging their data result in meaningful and actionable information that the state, payers, providers, researchers, consumers, and others can use to improve care for patients and overall performance of the system. A well-defined strategy developed with input from stakeholders can support state efforts to enhance the functionality and impact of claims databases, and support system transformation goals.

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ABOUT STATE HEALTH AND VALUE STRATEGIES — PRINCETON UNIVERSITY WOODROW WILSON SCHOOL OF PUBLIC AND INTERNATIONAL AFFAIRS

State Health and Value Strategies (SHVS) assists states in their efforts to transform health and health care by providing targeted technical assistance to state officials and agencies. The program is a grantee of the Robert Wood Johnson Foundation, led by staff at Princeton University's Woodrow Wilson School of Public and International Affairs.

The program connects states with experts and peers to undertake health care transformation initiatives. By engaging state officials, the program provides lessons learned, highlights successful strategies and brings together states with experts in the field. Learn more at www.shvs.org.

ABOUT BAILIT HEALTH

This brief was prepared by Erin Taylor and Michael Bailit. Bailit Health is a health care consulting firm dedicated to ensuring insurer and provider performance accountability on behalf of public agencies and private purchasers. For more information on Bailit Health, see www.bailit-health.com.