

Wednesday October 26th, 2011
Senate Human Services Committee
Testimony from the Data Committee of the State Health Council

Chairman Lee and members of the Human Services Committee, for the record I am Howard Anderson, Jr, R.Ph., Chair of the Health Care Data Committee of the State Health Council. I serve in this position by appointment of our current Health Council Chairman, Marlene Kouba. There are two other members of the Data Committee, Marlene Kouba and Carmen Toman, both consumer members of the Health Council.

I recently met with your Chairman, Senator Lee and asked if I might visit with you about the charge of the Data Committee, its appropriateness in current times and the potential opportunities for rewriting this legislation to better serve the health needs of North Dakotans.

I have provided copies of the Health Care Data Committee Legislation originally passed in 1987. As you will see in the Section 02- Powers of the Health Care Data Committee, the legislature gave this committee quite a bit of power and a pretty significant charge. The purpose for this legislation was to provide the public information necessary for price comparisons between one healthcare provider and another. Rising costs are not new in health care.

I believe the State Health Department and its Data Committee made an effort to provide some of this information in the time after the original legislation was passed. When I first came on the Health Council, about 1993, we were providing a report annually on what information we could collect. At one time we were getting Medicaid data from North Dakota Medicaid and Medicare data from the North Dakota Medicare Quality Assurance office. Then later Medicare decided we should not get their information through that source and were required to purchase Medicare data, but that budget item was dropped from the Department of Health's budget several years ago and we have not done much cost analysis since.

As you might guess, healthcare providers such as hospitals and physicians are not particularly happy about providing us with this data, as it costs them money to prepare the data in a useable format and forward it to us. There are also many questions about the comparison of one healthcare service with another facility and many small issues may affect the comparability of that information. Also, as Senator Lee pointed out to me, she would not be crazy about going to the lowest cost provider when seeking health care.

In recent years, most of us have a third-party paying for health care and we receive most of our price information through that third-party provider.

I am not here simply to complain about this legislation or to make excuses for the Data Committee or the Health Council's lack of performance, relative to this legislation, in recent years. Rather, I would like to work with you to develop some concepts that could be used in the gathering and proper utilization of the health care data available to improve the health of North Dakotans.

North Dakota actually has a wealth of data on North Dakotans and their health care which resides in about 40 different silos of data within the Department of Health, Medicaid and sometimes with the department of transportation. From the very beginning our birth records are recorded, we have many programs to gather specific information such as reportable diseases, genetic deficiencies as the cause of genetically caused diseases and of course our cause of death is usually recorded.

We would really like to work with you for a clear understanding of how this data might be linked to provide the information necessary to do medical research to identify underlying causes of health care problems, targeted health improvement programs and generally help you to spend our state dollars as efficiently as possible. The medical community as well can use this information in taking care of all of us.

Dr Dwelle has a concept he calls the "Epi Center" this involves the North Dakota Department of Health through it's data and information, being able to provide that research background to the two academic institutions now partnering with our new Masters of Public Health Program to train a public health workforce for North Dakota. The University of North Dakota and North Dakota State University will have professors and Master Degree students to provide the research expertise. The Health Department can provide them with the data they need for their research into the causes and potential solutions, thus helping us to target our health care decisions and funding, for the best outcome for the people being served.

Any of this research would be done on a de-identified patient basis or with a memorandum of understanding protecting patient confidentiality in all cases.

If we have your concurrence to continue to link the data the Health Department now has, and we have made significant progress in that linking, with a universal patient identifier which is becoming increasingly important as health information technology and health information exchange becomes the standard of practice in health care, we can rewrite this legislation to facilitate that data sharing and make some real progress in the future of the health care of North Dakotans.

If on the other hand you decide that the way this legislation is written is something we should do, we can get back to work on that.

However, as I think you will agree, it is time to make some significant changes in the Data Committee charge and we would like to work with you to rewrite this legislation with a new focus on identifying disease states, epidemiological causes of real healthcare problems and focus on the solutions to those problems. The Data Committee has asked the Health Department to come up with exactly what they feel we would need to facilitate this process and we look forward to working with you in the next few months as you prepare legislation for our next session.

Respectfully submitted by,
Howard C Anderson, Jr, R.Ph.
For the Health Care Data Committee

Passed 1987

**CHAPTER 23-01.1
HEALTH CARE DATA COMMITTEE**

23-01.1-01. Health care data committee of state health council - Membership - Appointment by chairman of health council.

The health care data committee is a standing committee of the state health council, consisting of not less than three nor more than five members, appointed by the chairman of the health council from the members of the council. A majority of the members of the health care data committee must be consumer members of the health council.

23-01.1-02. Powers of health care data committee.

To provide information to the public necessary for the enhancement of price competition in the health care market, the health care data committee may:

1. Collect, store, analyze, and provide health care data.
2. Compile the average aggregate charges by diagnosis for the twenty-five most common diagnoses, annual operating costs, revenues, capital expenditures, and utilization for each nonfederal acute care hospital in this state, and the average charges by source of payment and level of service in each long-term care facility in this state.
3. Establish a uniform format for the collection of information on charges to patients.
4. Prepare an annual report comparing the cost of hospitalization by diagnosis in each nonfederal acute care hospital and comparing average charges by source of payment and by level of service in each long-term care facility in the state.
5. Establish procedures that assure public availability of the information required to make informed health care purchasing decisions.
6. Establish arrangements with the state department of health, the department of human services, the insurance commissioner, workforce safety and insurance, and the public employees retirement system to assure patient confidentiality, the sharing of information, and the coordination, analysis, and dissemination of health care data, and to act in a manner which does not duplicate data collection activities of other state agencies.
7. Prepare and distribute a report comparing physicians' average charges for selected services to include all physicians licensed to practice medicine in this state and determined by the health care data committee to be actively providing direct patient care services in this state.

23-01.1-02.1. Publication of comparative physician fee information.

The health care data committee shall create a data collection, retention, processing, and reporting system that will allow the distribution of information comparing the average fees charged by each licensed physician practicing medicine in this state. Insurers, nonprofit health service corporations, health maintenance organizations, and state agencies shall provide the data and information. The committee shall prepare a report which must include a schedule of average fees charged for services representative of the physician's type of practice and specialization and other information that the data committee may determine are necessary for consumers to use in comparing total physician costs and to assist policymakers or providers in their deliberations on future health care decisions.

23-01.1-03. Publication of a directory of licensed physicians.

Repealed by S.L. 1991, ch. 262, § 4.

23-01.1-04. Administrative authority of health care data committee - Administrative support - Authority to acquire data.

The health care data committee may adopt rules consistent with and necessary for the implementation of this chapter. The committee shall establish working arrangements among other state agencies for the assurance of patient confidentiality, the sharing of information, and

the coordination, analysis, and dissemination of health care data to the public and to the state agencies in making more cost-effective health care purchasing decisions. The committee may require insurers, nonprofit health service corporations, health maintenance organizations, and state agencies to provide data regarding hospital, physician, and other provider charges, and reimbursement and volume data as required for the performance of the duties of the committee under this chapter.

23-01.1-05. Confidentiality of certain records - Immunity for providing information.

The committee shall keep all records, data, and information that could be used to identify individual patients confidential. Reports for distribution by the committee or for publication must be prepared in a manner to reasonably assure exclusion of information that would identify any particular patient. Any person who provides information, data, reports, or records with respect to any patient to the health care data committee under this chapter is immune from liability for the act of furnishing the information.

23-01.1-06. Fees for providing extraordinary data or reports.

The state department of health may, by rule, set fees for recovering the reasonable costs of providing data and reports, other than those set forth in this chapter, to any person. Revenues derived from the fees must be deposited in the operating fund of the state department of health.

23-01.1-07. Civil penalty.

Any person violating this chapter or violating any rule adopted by the health care data committee is subject to a civil penalty not to exceed five hundred dollars per day of violation. The state department of health with the assistance of the attorney general may prosecute an action in district court to recover any civil penalty under this chapter.

Amended 1995

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