

Colorado's All Payer Claims Database

FAQs for Self-Insured Rule Change



CENTER FOR IMPROVING
VALUE IN HEALTH CARE

What is a Self-Insured Health Plan?

Self-insured companies pay for employee health insurance claims directly, either out of pocket or through special funds earmarked for this purpose. This means that the company assumes a financial risk for each employee and does not have a traditional, “fully-insured” plan through a commercial insurance company. More information can be found at the Self-Insurance Institute of America (www.siiia.org).

What is the Colorado All Payer Claims Database (CO APCD)?

Created by legislation in 2010, the CO APCD is the most comprehensive source for health care price, cost of care and utilization data in Colorado. The secure database currently includes health insurance claims from the 20 largest health plans for individual, small group, and large group fully-insured lives, Medicare and Medicare Advantage, as well as Medicaid. These claims represent more than 3.5 million unique covered lives and over 65 percent of the insured population of Colorado. The self-insured commercial market is the largest remaining segment of the market that is *not* currently collected in the APCD representing approximately 30 percent of the insured lives.

What is the Center for Improving Value in Health Care?

The Center for Improving Value in Health Care (CIVHC), a non-profit, non-partisan organization was appointed as the administrator of the CO APCD by the Colorado Department of Health Care Policy and Financing (HCPF) in 2011. CIVHC helps Colorado drive, deliver, and buy value in health care.

Why Do Self-Insured Claims Need to be Included in the APCD?

Self-insured claims represent approximately 30 percent of insured lives in CO and pose a significant gap in the market when it comes to analyzing data in the APCD. Adding this important segment of the market will allow for a more complete picture of Colorado's health care landscape and opportunities for positive change. Please refer to the document, “Why Including Self-insured Employer Data in the CO All Payer Claims Database (APCD) is Essential to Lowering Health Care Costs and Improving the Health of Coloradans” for a full list of benefits.

What is the Proposed Self-Insured Rule Change?

The proposed rule change expands the definition of a private health care payer to include self-insured employer-sponsored health plans by adding the following sentences: “For the purposes of this regulation, a ‘private health care payer’ also means a self-insured employer-sponsored health plan covering an aggregate of 100 or more enrolled lives in Colorado. It does not include a self-insured employer-sponsored health plan, if such health plan is administered by a third-party administrator or administrative services only organization (“TPA/ASO”) that services less than an aggregate of 1,000 enrolled lives in Colorado.”

Will all Self-Insured Health Plans be Required to Submit Claims to the APCD?

Yes, unless they have fewer than 100 covered lives in Colorado or if they are administered by a third-party administrator or administrative services organization (TPA/ASO) that services less than an aggregate of 1,000 enrolled lives in Colorado. Employers may also choose to opt-out of data submissions for the years 2015 and 2016 only. However, CIVHC will support any self-insured health plans that would like to submit data to the APCD on a voluntary basis regardless of the number of covered lives or TPA/ASO enrollees.



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Do Self-Insured Employers Know About the Rule Change?

To ensure that all stakeholders are aware of the proposed rule change, CIVHC has developed an extensive communications outreach plan. In addition to the business community and employer groups, this outreach plan also includes service providers such as TPAs, ASOs and Pharmacy Benefits Managers (PBMs) as well as those in the employer broker community.

Will there be a Penalty for Not Submitting Data in 2015 and 2016?

As specified in section of the rule 1.200.6.A, CIVHC expects the updated rule to include language clarifying that HCPF will not apply penalties to self-insured employer-sponsored health plans for submissions related to data from calendar years 2015 and 2016. As stakeholders work through the process and grow accustomed to making APCD data submissions, CIVHC looks forward to the collaborative effort and will provide support and feedback throughout the process.

Why Does Colorado Need an APCD?

Our health care delivery system does not consistently deliver high-quality or cost-effective care. It is very difficult to identify where variations exist in Colorado's health care system and to compare quality vs. cost. The APCD fills those gaps by providing a more complete picture of health care spending and utilization across Colorado, helping identify trends, and allowing analysts to identify opportunities for improvement.

How is Privacy Protected?

Data that carriers submit to the APCD is encrypted, access-controlled and aggregated. The APCD is not like the electronic medical record your doctor keeps. No identified data is available in the public reports we provide. The Colorado APCD is compliant with HIPAA and HITECH. Protected data elements such as name, street address and Social Security number are removed and replaced with a unique identifier when data analysis occurs.

Who Can Use the APCD, and in What Ways?

- **Consumers** are able to compare price and quality measures among hospital-based providers for specific services at www.comedprice.org. For example, an individual who needs a knee replacement can see approximately how much that surgery will cost at different facilities, compare quality metrics and calculate out of pocket costs.
- **Employer purchasers** can identify cost and quality indicators for the providers in their health plans' networks, helping them drive their business and their employees to high-value plans and providers.
- **Providers and facilities** can gauge their costs and outcomes across all of their patients, not simply those covered by one particular health plan. They can get a picture of how they compare to their peers and how new payment and delivery initiatives are working.
- **Health plans** can use APCD data to identify variability in costs and outcomes, and assist with benefit design that rewards high-value providers.
- **Policymakers** can identify areas of disparity in costs and outcomes, share best practices from high-performing areas and target interventions and policies that can reduce variation.

To learn more, visit www.comedprice.org or contact ColoradoAPCD@civhc.org.