

Colorado 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. Some self-insured plans are subject to the federal Employee Retirement Income Security Act (ERISA) standards while some are not. More information can be found at the Self-Insurance Institute of America (www.siaa.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 largest health plans for individual, small group, and large group fully-insured lives, Medicare and Medicare Advantage, as well as Health First Colorado (Colorado’s Medicaid Program). 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, representing approximately 30 percent of the insured lives in the state.

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 and our mission is to improve the health and health care of Coloradans and to lower health care costs.

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

Currently the CO APCD contains information from commercial health plans (with the exception of self-insured claims) as well as Medicaid and Medicare Advantage. 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 CO 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. The rule change was developed to make the database more comprehensive enabling a more complete picture of health care spending and utilization. There are currently 17 states in the United States with APCDs, with similar goals of identifying opportunities and making meaningful change. (www.apcdouncil.org)

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 CO 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 CO APCD is encrypted, access-controlled and aggregated. The CO 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.



CENTER FOR IMPROVING
VALUE IN HEALTH CARE

Who Can Use the CO 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 CO 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.

I'm a self-insured, employer-funded health plan regulated by ERISA ("ERISA plan"). Am I required to submit health claims data to the CO APCD?

Although Colorado can no longer require ERISA plans to submit claims data to the CO APCD, CIVHC will continue to accept claims data that is voluntarily submitted by or on behalf of ERISA plans going forward.

As an ERISA plan, what happens to the data my ASO/TPA submitted on my behalf prior to the Supreme Court's March 1, 2016 decision? Will the data be used in public and non-public data releases moving forward?

Claims data submitted by or on behalf of ERISA plans prior to the Supreme Court's decision in *Gobeille* will remain a valuable part of the CO APCD and will be treated the same as data submitted from any other category of payer. Data contained in the CO APCD is used to provide transparent health care data via the public website www.comedprice.org and via non-public releases in accordance with state and federal law.

If I'm another category of payer, not an ERISA plan, can I stop submitting data to the CO APCD?

No. The Supreme Court's decision only applies to a narrow subsection of payers – specifically, to ERISA plans. The decision does not affect the legal obligation under the Colorado statute and implementing regulations for non-ERISA self-funded employer sponsored health plans that have 100 or more covered lives or any other entities that meet the definition of payer under 10 C.C.R. § 2505-5(1.200) to submit claims data to the CO APCD.

Is HCPF going to modify the existing CO APCD rule based on the Supreme Court decision?

Yes. CIVHC, in conjunction with the Colorado Department of Health Care Policy and Financing and the state Attorney General's office, revised the Colorado APCD regulations 10 C.C.R. § 2505-5(1.200) in July 2016. The revision brought the APCD rule into compliance with the U.S. Supreme Court's decision. Self-funded health plans subject to ERISA are no longer required to submit their data to the CO APCD. All other self-funded health plans are required to submit their claims. The rule amendment went active on July 30, 2016.



CENTER FOR IMPROVING
VALUE IN HEALTH CARE

I'm an ERISA plan. I have not yet submitted any data to the CO APCD and have not submitted an opt-out form. Do I still need to submit an opt-out form and will there be any penalties for my failure to timely submit an opt-out form?

No. ERISA plans no longer need to submit opt-out forms, and there will be no penalties for ERISA plans who failed to timely submit opt-out forms by the original December 28, 2015 deadline.

I'm an ERISA plan. I submitted an opt-out form after the deadline of December 28, 2015. Will my opt-out be honored?

Yes. CIVHC will honor all opt-outs submitted by ERISA plans before or after the December 28, 2015 deadline, and there will be no penalties for ERISA plans who failed to timely submit opt-out forms.

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