

COLORADO IN 2010

Detailing the origins of the CO APCD and the elements of CIVHC's stewardship that make it a national leader.



CENTER FOR IMPROVING
VALUE IN HEALTH CARE



Background

A Problem with Health Care Spending

In 2010 Colorado lawmakers grew frustrated with watching the people around them spend more and more money each year on health care without getting healthier. They decided it was time they understood what was going on behind the scenes of the health care system. The tricky part was figuring out what they needed and how to get it.

- They needed information about who was using health care in Colorado, why, how much, and what it cost.
- They also wanted to know more things about Colorado like what areas of the state had more patients than doctors, higher prices, or more people with chronic conditions.
- Finally, lawmakers wanted to make sure that Coloradans themselves had information they needed to make smart decisions about where to go for health care.

At that time, a handful of states across the nation had begun to collect processed health insurance claims to build resources called All Payer Claims Databases (APCD). Health insurance claims hold a lot of different information including what service was performed, where, and how much it cost. Gathering this type of data across many years, incorporating all kinds of health insurance, and covering an entire state could provide exactly the information the lawmakers needed. So [legislation](#) was passed, permitting the creation of the Colorado All Payer Claims Database (CO APCD).

A Neutral Choice

Colorado lawmakers decided not to follow the lead of other states and build the CO APCD inside a State agency. Instead, they agreed that an outside organization should oversee the database on behalf of the Department of Health Care Policy and Financing (HCPF). The Executive Director of HCPF chose the Center for Improving Value in Health Care (CIVHC) as administrator. Then, like now, CIVHC was a non-partisan, objective non-profit committed to improving health care while lowering costs. With partners in every arena of the health care system – provider, payer, patient, researcher, State agency, employer, and community organization – we were a logical choice to run the CO APCD.

CIVHC began developing and building the CO APCD in 2010, with funding from both the Colorado Health Foundation and The Colorado Trust. A cross-sector Advisory Committee helped determine what pieces of data should be collected from what types of health insurance companies. By the fall of 2012, portions of the lawmakers' vision were already being realized as the CO APCD was launched and data was available to answer questions about how to lower costs and improve care.



The lawmakers gave CIVHC a big job.
As administrator, we had three major responsibilities:



Design and build what would become one of the first APCDs in the United States.



Make sure the CO APCD contained the information lawmakers and Coloradans needed and could report on it.



Find funding to design and implement the database and then figure out how to make it sustainable.

Understanding How the CO APCD Works

Most explanations of how the CO APCD does what it does are very technical and can be difficult to follow. This illustration is intended to make the system a little easier to understand.



1. Sowing Seeds

When a Coloradan with insurance sees a doctor, their provider gets paid by sending a claim. These claims are like seeds of grain.



2. A Plentiful Harvest

Health insurance companies are similar to farmers. They harvest the grain and send it to be stored in a community silo, operated by CIVHC.



3. A Collective Resource

The silo represents the CO APCD. CIVHC oversees the silo while also milling the collected grain into flour for use by the community.



4. Guaranteeing Good Grain

CIVHC tests the grain to make sure it is good before processing, storing, or turning it into flour. Bakers, like CO APCD data users, need high quality ingredients.



5. Assisting Individual Efforts

When bakers want to bake a certain type of bread or pastry for their shops, they ask CIVHC to mill a specific type and amount of flour (or data).



6. Supporting the Community

CIVHC also uses the flour to make different kinds of baked goods. These feed the community at no cost, similar to public CO APCD data releases on civhc.org.