

A Plan for New Mexico's All-Payer Claims Database (APCD)

THE ALL-PAYER CLAIMS DATABASE COUNCIL
A COLLABORATION BETWEEN THE NATIONAL ASSOCIATION OF HEALTH DATA ORGANIZATIONS
AND THE UNIVERSITY OF NEW HAMPSHIRE'S INSTITUTE FOR HEALTH POLICY AND PRACTICE



1.0 EXECUTIVE SUMMARY

This report outlines an implementation framework for developing an All-Payer Claims Database (APCD) in New Mexico. The report documents the results of New Mexico stakeholder deliberations and APCD development decisions, and provides a set of recommendations that, if implemented, will serve as the basis for a statewide APCD effort in New Mexico.

New Mexico is well-positioned to advance its APCD effort, with a highly engaged stakeholder community, existing data assets, and foundational work in supporting health system transformation efforts. If New Mexico implements an APCD, it will join a growing number of states with APCD systems to facilitate transparency, policy, and health improvement through system-wide data.

The development of an APCD is one of the components of New Mexico's State Innovation Model (SIM) Design plan¹ and a critical tool for promoting transformative changes in the health care delivery system. The New Mexico State Health System Innovation design plan builds on many unique, cross-sector efforts underway in the state by promoting the integration of existing data sources and recommending plans for obtaining previously unavailable data on cost, pricing, and quality and utilization of health care services through an APCD system².

Based on extensive New Mexico stakeholder input, collected through individual interviews, webinars, and in-person meetings, stakeholders achieved early consensus on the basic issues related to APCD development in the state, with general agreement on the following key issues:

- There is a business case for the development of a New Mexico APCD.
- A legislative approach makes sense for New Mexico.
- An agency in the executive branch of state government should assume the lead role for APCD development.
- An advisory and oversight structure should be established to guide collection, access, use, and protection of the data.
- A New Mexico APCD must facilitate future data linkages to clinical or other data sets.
- Initial uses of a New Mexico APCD should address priority topics in a staged reporting approach as defined by an analytic plan built by stakeholders.
- New Mexico has existing data assets and investments that could be leveraged to support the APCD development and payer and provider administrative simplification efforts.

¹ <http://nmhealth.org/about/asd/opa/sim/>

² New Mexico Health System Innovation Design, DRAFT, March 9, 2016, 69-86 (draft receive March 18, 2016).

Once general consensus on these broad APCD issues was achieved, stakeholders were asked to deliberate on key implementation decisions around legislation, governance, oversight, and collaboration. The report provides details about each of these issues, which are summarized in Table 1. Stakeholders were able to achieve decisions on some topics, whereas other recommendations were made but final decisions were not made.

TABLE 1. DECISIONS AND RECOMMENDATIONS FOR NEW MEXICO'S PATHWAY TO APCD IMPLEMENTATION

Issue 1: A Legislative Mandate	
	<ul style="list-style-type: none"> • A legislative mandate is the appropriate approach to support APCD Development in New Mexico. • A mandate, either under existing or amended legislation, or through administrative rule, should specify key provisions for the collection, release, and protection of APCD data.
Decision	<ul style="list-style-type: none"> • The New Mexico Department of Health will begin APCD implementation efforts based on the granted authority under the Health Information Systems Act (HISA) and through SB 323 advisory committee structure. This will allow the state to begin collection of cost and utilization data while assessing the need for additional or amended legislation.
Issue 2: APCD Governance	
	<ul style="list-style-type: none"> • New Mexico should identify the overall governance structure that defines oversight and articulates a plan for APCD leadership and operations. • A Data Release Oversight Committee must be established for transparency in data governance, data access and release, and the protection of confidential and sensitive information.
Decisions	<ul style="list-style-type: none"> • The Department of Health will assume the lead role for APCD development and operations in New Mexico, in collaboration with the Human Services Department • The HISA Advisory Committee, established in SB 323, will provide oversight for the HISA. An APCD Stakeholder Group and possibly other workgroups should be formed to advise the Advisory Committee on issues related to APCD implementation, specifically.
Issue 3: Data Integration and Data Linkage Capacity	
	<ul style="list-style-type: none"> • The New Mexico APCD should be designed to allow data integration and linkage with other data sources. This can support public health data linkage and physician and clinic-level analyses via electronic health record linkage.
Decisions	<ul style="list-style-type: none"> • Data collection should include necessary patient and provider identifiers for future data linkage. • Data linkage rules should be developed to address what data can be linked under what circumstances, who will be allowed to manage the linkage, and whether linked data sets will be de-identified prior to release.
Issue 4: Analytic Plan Development	
	<ul style="list-style-type: none"> • New Mexico should develop an analytic plan that guides the staged release of APCD data and information.
Recommendations	<ul style="list-style-type: none"> • Initial reporting products will address priority topics (see Table 4- Priority New Mexico Use Cases). • A staged, or tiered, approach to public reporting will begin with regional and population-level results. • Developing policies to allow broad user access to appropriate data will enhance the value of the APCD.

Issue 5: APCD Partnerships and Collaboration

- New Mexico should continue to strengthen public/private partnerships and initiatives to maximize the utility of the APCD.
- New Mexico can collaborate and partner with regional APCDs (e.g., Colorado and Utah) on strategic areas of common interests.

Decisions

- Alignment with the State Health System Innovation design plan and data integration and collaboration across state, private, and regional entities will be needed to support APCD development and administrative simplification efforts in New Mexico.
- Tribal consultation on all aspects of APCD development will be essential.
- Memorandums of Understanding will need to be developed and signed between the New Mexico Department of Health and the New Mexico Human Services Department to define support and roles for initial APCD implementation.

Issue 6: APCD Funding

- New Mexico should identify a funding plan that incorporates diverse funding sources and promotes the long-term sustainability of the APCD.

Decisions

- New Mexico should issue a vendor Request for Information (RFI) to define the APCD requirements and estimate costs for implementing a statewide APCD.
- Diversification of funding sources should include a mix of general appropriations, Medicaid match, grants, and data product sales.

Building on these decisions and actions, New Mexico is in a strong position to implement the next steps of APCD development. The Department of Health (DOH)'s legislative authority and Advisory Committee structure, provides the foundation for moving forward, at least for initial data collection. Immediate next steps for New Mexico should include, at a minimum:

- Develop APCD program budget estimates, to define necessary funding requests. New Mexico should use a vendor RFI process to assist in the budget development.
- Develop legislative changes and administrative rules necessary for data collection, data linkage, and data release. New Mexico can use model legislation to support this effort.
- Develop payer data submission requirements to include claims, eligibility, and provider files. New Mexico should leverage existing APCD state data submission requirements and data standards.
- Focus on the deployment of the analytic plan using the priority use cases defined by the New Mexico APCD stakeholders to develop a staged approach to analytics.
- Implement the APCD technical build. New Mexico should use a vendor Request for Proposal (RFP) process to select the data integrator and analytics solutions.

Many of the above steps can occur in tandem. For example, the legislative and administrative steps can occur at the same time as the RFI process. Prioritization of use cases to support the development of the analytic plan can also happen concurrent with those steps. With the administrative rules and analytic plan drafted, an RFP can be issued. In other states, once the

administrative rules were enacted and a vendor decision was made, the time between testing payer submissions and full reporting production has been approximately 12 months.

2.0 INTRODUCTION

This report, submitted by the National Association of Health Data Organizations (NAHDO) and the University of New Hampshire's Institute for Health Policy and Practice (IHPP), working collectively as the All-Payer Claims Database (APCD) Council, summarizes the findings from a series of activities undertaken to support the development of a plan for a statewide APCD in New Mexico. This report summarizes a series of stakeholder engagement activities, stakeholder deliberations, key decision points, and a set of decisions and recommendations that will enable New Mexico APCD development.

The APCD Council worked closely with the New Mexico Human Services Department (NMHSD) and Medical Assistance Division (MAD) to implement a stakeholder process to inform this report. This report is a synthesis of various forms of New Mexico stakeholder input and the APCD Council's experience in working with other state APCD systems to create a consensus-based plan for a statewide APCD that is the best fit for New Mexico.

Prior efforts by both the New Mexico Department of Health (NMDOH) and NMHSD that focused on health system transformation informed this report. Three key activities that were reflected upon in the identification of an approach to an APCD in New Mexico included:

1. **Medicaid Program Transformation:** Like many states, New Mexico is transforming its Medicaid program and health delivery system in ways that are designed to contain costs and improve population health and the health care delivery system. Medicaid modernization, in the form of Centennial Care, is aligning incentives to promote wellness, integrate care, and implement payment reform. Medicaid expansion, in place since January 2014, has resulted in a state Medicaid program that covers approximately 40% of New Mexico's total population. Together, these efforts provide an opportunity to transform the health of New Mexicans by leveraging Medicaid innovations across the entire delivery system.
2. **New Mexico's State Health Improvement Plan:** New Mexico articulated a vision for health improvement for all its residents in "A Healthier New Mexico", which aligns health care delivery with community activities and other interventions to slow the rate of inflation of health care costs.