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Richard Holden

Human Resources
Carr. Chair
Slater
Gentleman

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SENATE FILE 234

BY HOLDEN

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the creation of a health data commission,
2 its purposes, membership, powers, duties, and other
3 related areas, and providing a penalty.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 234

1 Section 1. NEW SECTION. INTENT AND PURPOSE. As a result
2 of rising health care costs and the concern expressed by
3 health care providers, health care users, third-party payers,
4 and the general public, there is an urgent need to abate these
5 rising costs so as to place the cost of health care within
6 reach of all Iowans without affecting the quality. It is
7 the intent and purpose of sections 1 through 5 of this Act
8 to maintain an acceptable quality of health care services
9 in Iowa and yet at the same time improve the cost efficiency
10 and effectiveness of health care services. To foster the
11 cooperation of the separate industry forces, there is a need
12 to compile and disseminate accurate and current data, including
13 but not limited to price and utilization data, to meet the
14 needs of the people of Iowa and improve the appropriate usage
15 of health care services. It is the intent of the general
16 assembly to require the necessary information for a review
17 of the comparison of cost, utilization, and quality of health
18 services be compiled by a statewide clearinghouse and be made
19 available to interested persons, while emphasizing patient
20 confidentiality, to improve the decision-making processes
21 regarding the purchase, price, and use of appropriate health
22 care services.

23 Sec. 2. NEW SECTION. HEALTH DATA COMMISSION ESTABLISHED-
24 -PURPOSE. A state health data commission is established to
25 act as a statewide health data clearinghouse for the
26 acquisition, compilation, correlation, and dissemination of
27 data from health care providers, the state Medicaid program,
28 third-party payers, and other appropriate sources in
29 furtherance of the purpose and intent of the legislature as
30 expressed in section 1 of this Act,

31 The commission consists of the commissioners of health,
32 insurance, and social services and the chairperson of the
33 board of directors of the corporation or the head of the
34 association or other entity providing staff for the commission
35 as provided by section 3 of this Act and this individual shall

1 be the chairperson of the commission but shall be a nonvoting
2 member. A majority of the four members constitute a quorum.
3 A commissioner member may designate an individual in the
4 department that the commissioner heads to act on the commission
5 for that commissioner.

6 Meeting dates shall be set by members of the commission
7 or by call of the chairperson upon five days notice to the
8 members. Action of the commission shall not be taken except
9 upon the affirmative vote of a majority of the voting members
10 of the commission. The commissioner members of the commission
11 and their designees shall not receive a salary or per diem
12 for being on the commission but shall receive reimbursement
13 for necessary travel and expenses while engaged in commission
14 business. Funds for reimbursement shall come from the moneys
15 appropriated to the department of which the member is the
16 head. The commission staff and chairperson shall not receive
17 any salary, wages, or per diem for serving the commission
18 and shall not receive reimbursement for commission travel
19 and related expenses or for other commission expenses.

20 Sec. 3. NEW SECTION. POWERS AND DUTIES.

21 1. The health data commission shall enter into an agree-
22 ment with the health policy corporation of Iowa or any other
23 corporation, association, or entity it deems appropriate to
24 provide staff for the commission, to act as a research tool
25 for the commission for the compilation, correlation, and
26 development of the data collected by the commission, to conduct
27 or contract for studies on health-related questions which
28 will further the purpose and intent expressed in section 1
29 of this Act. The agreement may provide for the corporation,
30 association, or entity to prepare and distribute or make
31 available data to health care providers, health care
32 subscribers, third-party payers, and the general public.

33 2. The commission may require that the state departments
34 of health, insurance, and social services obtain for and make
35 available to the commission data needed to carry out its pur-

1 pose including but not limited to the data specified in this
2 section. This data may be acquired from health care providers,
3 third-party payers, the state Medicaid program, or other
4 appropriate sources.

5 3. The commission shall require that:

6 a. The commissioner of insurance, the commissioner of
7 social services, and the commissioner of health encourage
8 and assist third-party payers and hospitals to voluntarily
9 implement the use of a uniform hospital billing form, or that
10 they require that all third-party payers and all hospitals
11 use, by January 1, 1984, the uniform hospital billing form
12 designated or established by the commission. Uniform
13 definitions for the billing form shall be established.

14 b. The commissioner of insurance require that third-party
15 payers provide hospital inpatient and outpatient claims data
16 and corresponding physician claims data to the commission.
17 This data shall include the patient's age, sex, zip code,
18 third-party coverage, date of admission, procedure and dis-
19 charge, principal and other diagnoses, principal and other
20 procedures, total charges and components of those charges,
21 attending physician identification number and hospital
22 identification number. Patient confidentiality shall be
23 protected. In the initial period of the commission, it may
24 limit the data collection to major third-party payers and
25 a sample of those third-party payers with low market penetra-
26 tion, to more frequent diagnoses and procedures and to hospital
27 inpatient claims.

28 c. Comparative information on average charges, total and
29 ancillary charge components, and length of stay on diagnosis-
30 specific and procedure-specific cases on a hospital basis
31 shall be compiled and disseminated from the data defined in
32 paragraph b. Providers shall be permitted to comment on this
33 information before it is released to the general public.

34 d. If the data required by the commission is available
35 on computer or electronic tape, then a copy of this tape shall

1 be provided where practicable.

2 e. The commissioner of health, the commissioner of social
3 services, and the commissioner of insurance establish a
4 mechanism that creates a common identification number between
5 the uniform hospital billing form and the hospital discharge
6 abstract.

7 f. The commissioner of health establish a system of uniform
8 physician identification numbers for use on the hospital dis-
9 charge abstract forms.

10 g. The commissioner of social services make available
11 to the commission data and information on the Medicaid program
12 similar to that required of other third-party payers.

13 4. The commission may require that:

14 a. The commissioner of health require that the uniform
15 hospital discharge abstract form designated or established
16 by the commission be used by all hospitals by January 1, 1984.

17 b. The commissioner of insurance require corporations
18 regulated by the commissioner who provide health care insurance
19 or service plans to provide health care policy holder or
20 subscriber data by geographic area and other demographics.

21 c. The commissioner of health require hospitals to submit
22 annually to the commissioner and to post in a public area
23 in each facility the established prices for services, where
24 applicable, including but not limited to, routine daily room
25 service, special care daily room service, delivery room
26 service, operating room service, emergency room service and
27 for common laboratory, radiology, anesthesiology, and pharmacy
28 services.

29 d. Additional or alternative information related to the
30 intent and purpose of sections 1 through 5 of this Act as
31 outlined in section 1 of this Act be submitted to the
32 commission.

33 Sec. 4. NEW SECTION. LAWFULNESS OF PROVIDING DATA--
34 CONFIDENTIALITY. Notwithstanding section 68A.7, subsection
35 2, section 135B.12, section 217.30, or any other statute,

1 it is lawful to provide the information requested pursuant
2 to section 3 of this Act as follows:

3 1. For hospitals, third-party payers, and other persons
4 to the commissioners or departments of health, insurance,
5 or social services.

6 2. For the commissioners of health, insurance, and social
7 services to the health data commission.

8 3. For the health data commission to the corporation,
9 association, or other entity acting as the commission's
10 research tool.

11 4. For the health data commission or its designee to in-
12 terested persons.

13 Information provided pursuant to section 3 of this Act
14 shall not identify a patient by name, address, or patient
15 identification number unless authorized by the patient.

16 Violation of this paragraph is a serious misdemeanor.

17 Sec. 5. NEW SECTION. REPORTS AND TERMINATION OF
18 COMMISSION. The commission shall submit a report on the
19 actions taken by the commission to the legislature not later
20 than January 15, 1984 and January 15, 1985. The commission
21 shall be terminated July 1, 1985. If the legislature does
22 not extend the date for termination, a final report shall
23 be submitted to the legislature by July 1, 1985.

24 Sec. 6. Section 135.11, Code 1983, is amended by adding
25 the following new subsection:

26 NEW SUBSECTION. Establish, publish, and enforce rules
27 not inconsistent with the law as necessary to obtain from
28 persons licensed or regulated by the department the data re-
29 quired pursuant to section 3 of this Act by the state health
30 data commission.

31 Sec. 7. Section 505.8, unnumbered paragraph 2, Code 1983,
32 is amended to read as follows:

33 He The commissioner shall, subject to the provisions of
34 chapter 17A, establish, publish and enforce rules not incon-
35 sistent with the law for the enforcement of the provisions

1 of this title and for the enforcement of the laws, the
2 administration and supervision of which are imposed on the
3 department and as necessary to obtain from persons authorized
4 to do business in the state or regulated by the department
5 that data required pursuant to section 3 of this Act by the
6 state health data commission.

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EXPLANATION

8 The bill provides for the implementation of some recommenda-
9 tions of the governor's commission on health care costs.
10 It does this by creating a four-member health data commission
11 consisting of the commissioners of health, insurance, and
12 social services and the chairperson of the corporation or
13 head of the association or other entity which is providing
14 the staff for the commission. This individual is a nonvoting
15 member and is chairperson of the commission. Staff is to
16 be provided by the health policy corporation of Iowa (HPCI),
17 or other corporation, association, or entity the commission
18 deems appropriate, however, no salaries, wages, per diem or
19 expenses are to be paid by the commission or the state for
20 providing the staff or services. HPCI is a nonprofit corpora-
21 tion that receives its funds from public and private grants.
22 The governor's commission recommended that HPCI form a
23 statewide data clearinghouse for medical information on such
24 things as price or charge by hospitals for various diagnoses
25 and procedures, and utilization of health services by
26 hospitals, physicians, and patients. The health data
27 commission will be this clearinghouse, will obtain the
28 necessary data, and will use HPCI or other appropriate entity
29 as the research tool. The commission will obtain its data
30 from the departments of health, insurance, and social services
31 who will obtain it from persons or programs regulated or
32 licensed by the departments. One of the duties of the
33 commission is to require that the commissioner of insurance
34 require third-party payers to provide hospital inpatient and
35 outpatient claims data and corresponding physician claims

1 data to the commission. Obtaining this information is a
2 recommendation of the governor's commission of health care
3 costs. Another recommendation of the governor's commission
4 referred to in the bill is the voluntary or mandatory use
5 of a uniform hospital billing form by hospitals and third-
6 party payers. The bill requires the commission to submit
7 reports of its actions to the legislature and provides for
8 a sunset of the commission on July 1, 1985.

9 The bill takes effect July 1, 1983.

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