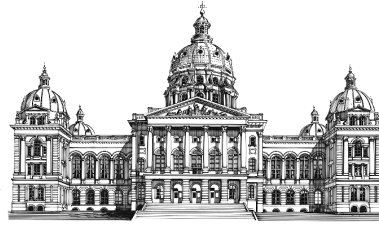


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# Iowa Legislative Fiscal Bureau

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## Health Data Commission

### ISSUE

An examination of the Health Data Commission (HDC) and the use of the health data clearinghouse of acute, long-term care, and physician-related health data in relation to the scheduled elimination of the HDC on July 1, 1994.

### AFFECTED AGENCIES

Department of Public Health  
Department of Human Services  
Department of Elder Affairs  
Department of Commerce, Insurance Division

### CODE AUTHORITY

Chapter 145, Code of Iowa

### BACKGROUND

Health reform is a major issue facing Iowa and the nation. Controlling rising costs, assuring access, and providing quality care are paramount considerations in reform proposals. Health care reform necessitates the continued collection and dissemination of health care data to provide adequate information to clarify potential choices and to make informed decisions.

The State of Iowa established the HDC in 1983 as a data clearinghouse. This enables Iowans to access comprehensive health care information so informed decisions may be made by policy makers, containing costs where appropriate, and preserving quality. The HDC is currently the one tool available to State agencies for accurate quantitative data on Iowa health care.

The functions of the HDC and the data needs of major health care reform include gathering, analyzing, and disseminating data on:

- Health care expenditures

- Health care provider practice patterns
- Health status and health care outcomes

House File 429 (Health and Human Rights Appropriations Bill), approved during the 1993 Legislative Session, contained language eliminating the HDC on July 1, 1994. The rationale for the sunset was a Community Health Management Information System (CHMIS) is to be implemented by July 1, 1994. The CHMIS organizers are of the opinion that it will take a year or more to establish an electronic data transfer system and central data repository. The CHMIS is still in the organizational stage and is being privately funded.

The CHMIS data work group recommended on June 21, 1993, that the HDC continue until the CHMIS is operational. This recommendation is based upon the concern that gaps in data collection may occur resulting in the possible loss of data. Any interrupted collection of data has the potential of limiting researchers and policy makers in the use of Iowa-specific data. Additionally, the CHMIS is based upon a methodology to collect data with the ultimate goal of strictly data collection, whereas the HDC has a broader scope, including decisions about what data to collect and how to use the information.

### **CURRENT SITUATION**

Presently the HDC collects and disseminates hospital and physician data. This information is collected directly from hospitals and insurers. Currently, it is the only public data base that contains the detail necessary for making analysis across medical decisions using the International Classification of Diseases #9 (ICD 9) and Diagnostic Related Groups (DRGs).

Users of the data and reports compiled by the HDC include health care purchasers, providers, and government. Currently, the HDC is not fulfilling its mandated data collection responsibilities concerning long-term care information due to limited funding.

### **ALTERNATIVES**

The General Assembly has 2 options.

1. Take no action. This would maintain the sunset language based upon the CHMIS becoming operational by July 1, 1994. However, it may take a year or more to establish this electronic data transfer system and central data repository.
2. Repeal or extend the effective date of the sunset language. This would allow for further review of how to merge the functions of the HDC and the CHMIS. This alternative would minimize potential gaps in data collection necessary to formulate and evaluate health care reform initiatives.

### **BUDGET IMPACT**

The FY 1994 General Fund appropriation for the HDC is \$290,250. With the sunset of the HDC on July 1, 1994, a FY 1995 appropriation would not be necessary. While cost estimates of a functioning CHMIS and financial responsibility for the System have not been determined, preliminary discussions by the CHMIS data work group have focused on the data transfer system being paid for by providers of the service and the repository being funded by State government.

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