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HOUSE BILL NO. 2430

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations
on February 4, 2005)

(Patron Prior to Substitute—Delegate Hamilton)

A *BILL to amend and reenact §§ 32.1-276.4 and 32.1-276.5 of the Code of Virginia, as they are currently effective, relating to health care provider data reporting.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 32.1-276.4 and 32.1-276.5 of the Code of Virginia, as they are currently effective, are amended and reenacted as follows:

§ 32.1-276.4. (Effective until July 1, 2008) Agreements for certain data services.

A. The Commissioner shall negotiate and enter into contracts or agreements with a nonprofit organization for the compilation, storage, analysis, and evaluation of data submitted by health care providers pursuant to this chapter and for the development and administration of a methodology for the measurement and review of the efficiency and productivity of health care providers. Such nonprofit organization shall be governed by a board of directors composed of representatives of state government, including the Commissioner, and the consumer, health care provider, and business communities. Of the health care provider representatives, there shall be an equal number of hospital, nursing home, physician and health plan representatives. The articles of incorporation of such nonprofit organization shall require the nomination of such board members by organizations and associations representing those categories of persons specified for representation on the board of directors.

B. In addition to providing for the compilation, storage, analysis, and evaluation services described in subsection A, any contract or agreement with a nonprofit, tax-exempt health data organization made pursuant to this section shall require the board of directors of such organization to:

1. Develop and disseminate other health care cost and quality information designed to assist businesses and consumers in purchasing health care and long-term care services;

2. Prepare and make public summaries, compilations, or other supplementary reports based on the data provided by health care providers pursuant to this chapter;

3. Collect, compile, and publish Health Employer Data and Information Set (HEDIS) information or reports or other quality of care or performance information sets approved by the Board, pursuant to § 32.1-276.5, and submitted by health maintenance organizations or other health care plans;

4. *Jointly determine with the Board of Medicine any safety services and quality health care services rendered by physicians that should be identified, collected, and disseminated. The board of directors shall further determine jointly with the Board of Medicine the costs of requiring physicians to identify, submit, or collect such information and identify sufficient funding sources to appropriate to physicians for the collection of the same. No physician shall be required to collect or submit safety and quality of health care services information that is already identified, collected, or submitted under this section.*

5. Maintain the confidentiality of data as set forth in § 32.1-276.9;

56. Submit a report to the Board, the Governor, and the General Assembly no later than October 1 of each year for the preceding fiscal year. Such report shall include a certified audit and provide information on the accomplishments, priorities, and current and planned activities of the nonprofit organization;

67. Submit, as appropriate, strategic plans to the Board, the Governor, and the General Assembly recommending specific data projects to be undertaken and specifying data elements that will be required from health care providers. In developing strategic plans, the nonprofit organization shall incorporate similar activities of other public and private entities to maximize the quality of data projects and to minimize the cost and duplication of data projects. In its strategic plans, the nonprofit organization shall also evaluate the continued need for and efficacy of current data initiatives, including the use of patient level data for public health purposes. The nonprofit organization shall submit the first such strategic plan to the Board, the Governor, and the General Assembly by October 1, 1996. Such initial plan shall include recommendations for measuring quality of care for all health care providers and for funding all data projects undertaken pursuant to this chapter. The approval of the General Assembly shall be required prior to the implementation of any recommendations set forth in a strategic plan submitted pursuant to this section;

78. Competitively bid or competitively negotiate all aspects of all data projects, if feasible.

C. Except as provided in subsection A.2. of § 2.2-4345, the provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the activities of the Commissioner authorized by this section. Funding for services provided pursuant to any such contract or agreement shall come from general appropriations and from fees determined pursuant to § 32.1-276.8.

60 § 32.1-276.5. (Effective until July 1, 2008) Providers to submit data.

61 A. Every health care provider shall submit data as required pursuant to regulations of the Board,
62 consistent with the recommendations of the nonprofit organization in its strategic plans submitted and
63 approved pursuant to § 32.1-276.4, and as required by this section. Notwithstanding the provisions of
64 Chapter 38 (§ 2.2-3800 et seq.) of Title 2.2, it shall be lawful to provide information in compliance with
65 the provisions of this chapter.

66 B. In addition, health maintenance organizations shall annually submit to the Commissioner, to make
67 available to consumers who make health benefit enrollment decisions, audited data consistent with the
68 latest version of the Health Employer Data and Information Set (HEDIS), as required by the National
69 Committee for Quality Assurance, or any other quality of care or performance information set as
70 approved by the Board. The Commissioner, at his discretion, may grant a waiver of the HEDIS or other
71 approved quality of care or performance information set upon a determination by the Commissioner that
72 the health maintenance organization has met Board-approved exemption criteria. The Board shall
73 promulgate regulations to implement the provisions of this section.

74 C. *The Commissioner shall negotiate and contract with a nonprofit organization authorized under*
75 *§ 32.1-276.4 for compiling, storing, and making available to consumers the data collected on physicians*
76 *pursuant to this section. The nonprofit organization shall assist the Board in developing a quality of*
77 *care or performance information set for physicians and in determining the process for collecting,*
78 *compiling, and storing the information.*

79 D. The Commissioner shall also negotiate and contract with a nonprofit organization authorized
80 under § 32.1-276.4 for compiling, storing, and making available to consumers the data submitted by
81 health maintenance organizations pursuant to this section. The nonprofit organization shall assist the
82 Board in developing a quality of care or performance information set for such health maintenance
83 organizations and shall, at the Commissioner's discretion, periodically review this information set for its
84 effectiveness.

85 DE. The Board shall evaluate biennially the impact and effectiveness of such data collection.

86 **2. That the provisions of this act shall not become effective unless reenacted by the 2006 Session**
87 **of the General Assembly.**