

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB343

House of Origin	☒ Introduced	☐ Substitute	☐ Engrossed
Second House	☐ In Committee	☐ Substitute	☐ Enrolled

2. Patron: O'Bannon

3. Committee: Health, Welfare, and Institutions

4. Title: Virginia All Payer Claims Database; creation

5. Summary: Establishes the Virginia All-Payer Claims Database system, in order to facilitate data-driven, evidence-based improvements in access, quality, and cost of health care through understanding of health care expenditure patterns and operation and performance of the health care system. Data shall be made publicly available in a form that protects the identity of individual patients. The bill also creates the Advisory Board on Health Care Data Reporting to assist the Board of Health in developing regulations implementing the All-Payer Claims Database. Upon promulgation of final regulations implementing the Database, the existing statute dealing with the current survey of health carriers subject to HEDIS reporting is repealed.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See item #8.

8. Fiscal Implications: The fiscal implications of this legislation are uncertain. While creating the Virginia All-Payer Claims Database (APCD), the bill requires the Commissioner of Health to negotiate or enter into contracts or agreements with a nonprofit entity for the compilation, storage, analysis and evaluation of data submitted for the operation of the APCD. The bill also requires the Commissioner of Health to accept, hold, administer and solicit grants, gifts, bequests, contributions, and other assistance from federal, local, or private sources for this purpose. However, if the Commissioner of Health is unable to secure funding from these sources, then state support would be needed to operate the APCD.

The legislation also creates the Advisory Board on Health Care Data Reporting. The bill requires the board to develop short-term and long-term funding strategies to support the APCD, which may include assessing and collecting fees for access to data reports.

Given the current language related to securing nongeneral fund sources and the lack of detail regarding the amount of the information designated for collection, it is not possible to provide an accurate estimate of the cost of development, implementation, and maintenance of the new database.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Health, Virginia Department of Medical Assistance Services, and Virginia Health Information
- 10. Technical Amendment Necessary:** VDH proposes amending the bill to state that the legislation should not be implemented if the Commissioner of Health is not able to secure grants, gifts, bequests, contributions, and other assistance from federal, local, or private sources to operate the APCD. Virginia Health Information has also offered amended language clarifying the funding issue.
- 11. Other Comments:** This bill is a companion to SB135.

Date: 1/23/2012

Document: G:\VDH\GA\Legislation\FIS\FY 2012\HB343.DOC

c: Secretary of Health and Human Resources