



WISCONSIN LEGISLATURE

P. O. Box 7882 Madison, WI 53707-7882

February 3, 2016

TO: Assembly Committee on Health
FR: Rep. Dale Kooyenga and Rep. Daniel Riemer
RE: AB 765 – Wisconsin Health Care Modernization Act

Chairman Sanfelippo and committee members, thank you for holding a hearing on Assembly Bill 765 today. The Wisconsin Health Care Modernization Act will make important changes to the way data tools are used by health care providers to access community health care needs and help improve public health outcomes.

The current data collection program was created in 1989 and operated by the then state Department of Health and Family Services until it was transferred to the Wisconsin Hospital Association Information Center (WHAIC) in 2004. The WHAIC currently operates the data collection program. WHAIC collects data from hospitals on a number of factors. This provides great value to researchers to correlate location and health outcomes and ask questions like: why are rates of diabetes higher or lower in certain neighborhoods? Are lung cancer rates higher or lower in urban or rural areas? These inquiries will, hopefully, lead to improvements in health care outcomes at lower costs.

To ensure the privacy and security of patients, the WHAIC meets all standards required in Chapter 153 of Wisconsin Code, and voluntarily complies with The Health Insurance Portability and Accountability Act (HIPAA) and Federal Information System Management Act (FISMA).

First, AB 765 makes a change to the electronic format used by hospitals to submit data to the WHAIC. Second, the bill allows the WHAIC to fulfill their requirement to submit various reports to the Governor, Legislature, and others electronically (now done by paper). Third, the bill would also allow WHAIC to provide physician review notifications by posting the information on the WHAIC website (now done by mail). Fourth, AB 765 allows researchers to examine race and ethnicity to assess data sets and explore correlations between health outcomes and patient background. Finally, this legislation would allow the WHAIC to utilize technology called geocoding, which would allow more accurate collection of data and would allow health care providers and public health officials to more efficiently deploy scarce health care resources to have a positive impact on a population's health.

At its core, this bill is about moving the use of health care data into the 21st century. Technology has changed, but the regulations impacting Wisconsin's processes for data collection have not. Timely and accurate data is crucial for a health care providers to provide quality care for a patient, and is also crucial for a public health researchers to improve population health in our communities. The tools found in this bill for public health officials and medical professionals will help them do their job to keep their patients and populations safe while working toward reducing health care costs in Wisconsin.

Thank you again for hearing this bill today, and we look forward to your support.

WISCONSIN HOSPITAL ASSOCIATION, INC.



Date: February 3rd, 2016

To: Assembly Committee on Health

From: Kyle O'Brien, Senior Vice President Government Relations
Brian Potter, Senior Vice President/Chief Operating Officer
Matthew Stanford, General Counsel

Re: Support Assembly Bill 765 – the Wisconsin Health Care Data Modernization Act

The Wisconsin Hospital Association (WHA) **strongly encourages you to support the Wisconsin Health Care Data Modernization Act (Assembly Bill 765)**, led by Representatives Kooyenga, Riemer and Sanfelippo along with Senators Marklein and Erpenbach. This Act will improve data tools used by health care providers to assess community health care needs and help streamline the operations of the Wisconsin Hospital Association Information Center (WHAIC).

Since 2004, the WHAIC has efficiently and effectively collected and analyzed hospital and ambulatory surgery center (ASC) discharge information on behalf of the state of Wisconsin. Between 1989 and 2004, the state of Wisconsin was in charge of this process and assessed hospitals \$1.5 million annually to staff 18 full time state employees. In the 2003-2005 biennial budget, Governor Doyle proposed shifting this program to the private sector, which received bipartisan support in the state legislature and was signed into law.

Today, the \$1.5 million assessment has been eliminated, the work is done more efficiently by five employees at WHAIC instead of 18 state employees at DHS, and the program operates without any state taxpayer dollars.

As part of the health care industry's commitment to price transparency and quality improvement, the WHAIC has a role in maintaining two online tools for consumers to compare hospital charge and quality information. WHA's [PricePoint](#) and [CheckPoint](#) websites were created voluntarily (not by state mandate) to provide reliable cost and quality information directly to consumers. The PricePoint web platform was the first of its kind in the nation and is currently utilized by eleven other states. In December 2014, CheckPoint added a "star rating" component to make it easier for consumers to compare quality measures between hospitals.

Since 1989, certain sections of Chapter 153 have not received significant modification – even though health care has evolved tremendously over the past three decades. The Wisconsin Health Care Data Modernization Act will help providers more efficiently target health care resources in order to improve population health outcomes. The Act will also eliminate antiquated regulations that require the distribution of paper publications and standardize the process for submitting discharge information to WHAIC.

Discharge information provided to WHAIC has served as a resource to public policy makers, public health officials, health care providers and health care consumers for nearly thirty years. This information has helped health care providers understand what conditions impact certain communities throughout the state – a base of information that is critical to develop effective preventive care interventions. As Wisconsin's health care providers become even more engaged in population health efforts that incentivizes paying for value instead of volume, the need for timely and more precise health care data will become even more critical.

We want to thank Representative Sanfelippo for hearing this legislation, thank those members of the Committee who have already sponsored the legislation and encourage members of the Committee to recommend adoption of the Wisconsin Health Care Data Modernization Act.



HOWARD MARKLEIN

February 3, 2016

STATE SENATOR • 17TH SENATE DISTRICT

TESTIMONY ON ASSEMBLY BILL 765

Thank you to Chairman Sanfelippo and the rest of the Assembly Committee on Health for the opportunity to testify on Assembly Bill 765 relating to the collection of health care information, otherwise known as the Wisconsin Health Care Modernization Act.

In 1989, a data collection program was created to collect health care information for the purposes of providing aggregate health condition information to health care providers and researchers. When this program was operated by the state, it required approximately 18 full-time staff and a \$1.5 million assessment on hospitals. This operation was transferred to the Wisconsin Hospital Association Information Center (WHAIC) in 2004. Today, the WHAIC operates with five full-time staff and does not cost any taxpayer resources. Utilizing WHAIC to understand population health has become increasingly important because this type of data can be used by providers to effectively disperse health care resources and lower health care costs. Data is a powerful tool for decision making. It needs to be meaningful and accurate.

There are five major components to this legislation:

1. The original data collection program was created in 1989. The bill would be a technical update to the current system by aligning the requirement for submission of information to the information on the standard format, the American National Standards Institute 837 format.
2. Under current law, WHAIC is required to submit various reports to the Governor and the Legislature. WHAIC already provides these reports online and makes them available to the public. The bill would allow WHAIC to fulfill these reporting requirements electronically. However, they would still be required to provide paper copies if a requestor specifically requests a paper copy.
3. This provision of the bill would allow hospitals to utilize geocoding to provide patient information. Under current law, they are only allowed to use zip codes, which is an arbitrary restriction that does not account for any municipal or geographic borders. Geocoding would provide for "blocks" of population data that are a more accurate reflection of condition data for that particular population.
4. Under current law, providers are able to review their records submitted by hospitals and ambulatory surgery centers to the WHAIC. The bill allows for WHAIC to comply with this physician review notification requirement by posting this information on the WHAIC website.
5. Under current law, WHAIC is prohibited from releasing information related to a patient's race or ethnicity. It is becoming evident that social disparities in health have resulted in poorer health outcomes for certain groups of people. This prohibition has become a hurdle to better understanding the conditions that impact populations in our state. The bill would clarify in state law that a patient's race and ethnicity, in-and-of itself, is not a patient-identifiable piece of data, as is the case under HIPPA. I believe any concerns of privacy and confidentiality are addressed by this bill.

The Wisconsin Hospitals Association (WHA) is present to answer any technical questions regarding their data collections operation. I am happy to take questions from committee members at this time.