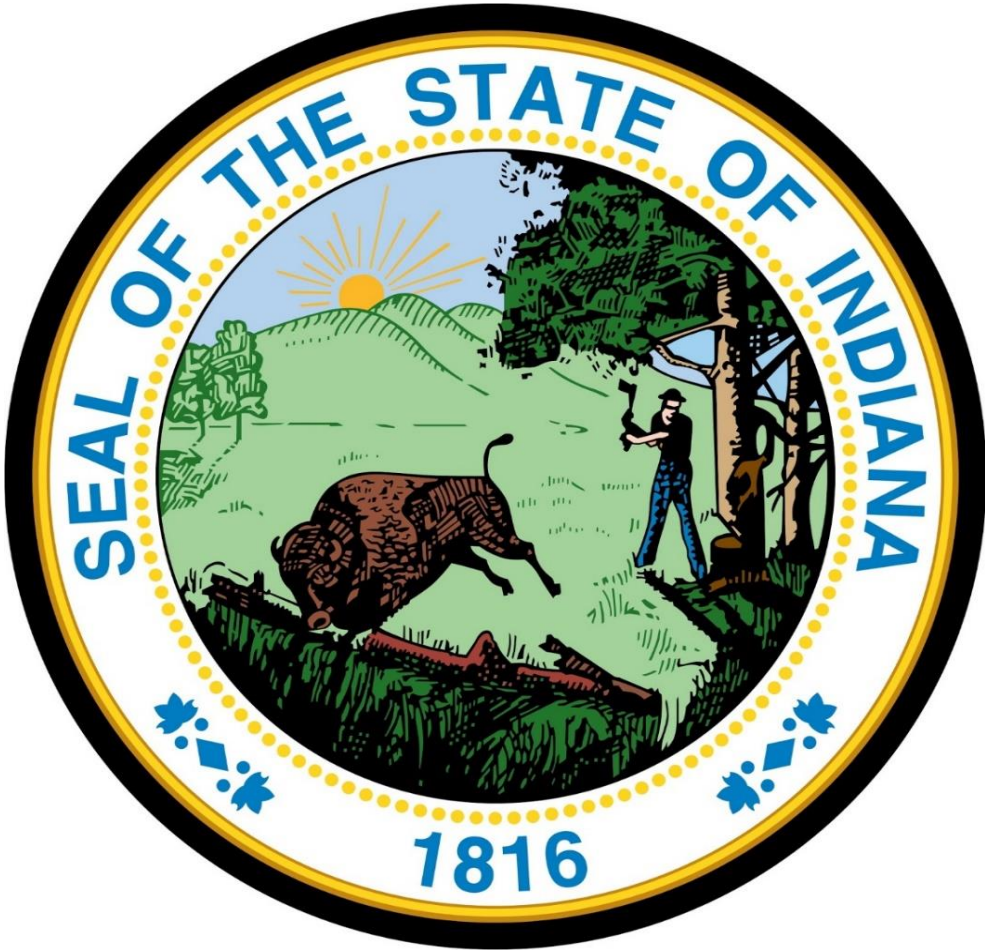


Indiana All Payer Claims Database

2023 Annual Report



Prepared for Governor Eric J. Holcomb and the Indiana General Assembly
By Jonathan Handsborough, Indiana Department of Insurance,
Executive Director, Indiana All Payer Claims Database

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Background of the Indiana APCD

Legislative History of the Indiana APCD:

In 2020, the Indiana General Assembly enacted P.L.50-2020, which established the Indiana All Payer Claims Database (APCD). It required the Indiana Department of Insurance (IDOI) to issue a Request for Information (RFI) and a Request for Proposals (RFP) for the selection of a partner to help build, operate, and maintain the Indiana APCD. Additionally, IC 27-1-44.6 created the APCD Advisory Board, which convenes at least biannually to advise IDOI on the administration of the APCD and ensure the integrity, security, and privacy of the APCD operations. Indiana law also requires that IDOI submit a report concerning the Indiana APCD to Governor Eric J. Holcomb and the Indiana General Assembly by September 1 of each year. The report must include the following:

- The status of the operations of the APCD Database
- The financial stability of the APCD Database
- The status of efforts to obtain funding for the APCD Database

Overview of APCDs:

An APCD is a large state database system that collects medical claims, pharmacy claims, and eligibility and provider files from private and public payers. These private and public payers usually include insurance carriers, health plan third-party administrators, pharmacy benefit managers, Medicaid, and Medicare. The APCD data is reported directly by the private and public payers to the states, usually as required by state law.

The Nation's first APCD was developed in Maryland in 1998. Maine followed with the second APCD in 2003, followed by New Hampshire and Vermont. By 2011, thirteen (13) states had APCDs implemented. Today, thirty (30) states have APCDs and several other states, including Indiana, are currently in the implementation phase.¹ Today, most states start the construction of their databases utilizing commercial claims data from their insurers. Thereafter, states often negotiate agreements with state and federal offices to obtain access to Medicare and Medicaid claims data, and will Indiana follow the same proven approach.

Overview of Indiana's APCD:

The Indiana APCD will be an essential health care cost tool for every Hoosier throughout the State of Indiana. While there have been various efforts to aggregate health care data in the past, data aggregation in the magnitude and scale of the Indiana APCD provides an unprecedented opportunity for the State. The Indiana APCD will do the following:

- a) Provide an online, public web portal that is free to use and allows the public to view the average negotiated charges by each health carrier for specific health care services provided by an individual health care provider, as well as the quality metrics for facilities and providers for specific health care services. Facilities and providers include hospitals, physician groups, ambulatory outpatient surgical centers, physical therapy offices, imaging centers, laboratories, infusion clinics, pharmacies, and any other location providing health care services.

¹ See APCD Council Interactive State Report Map at <https://www.apcdouncil.org/state/map>



- b) Be available to the public as a resource to insurers, consumers, employers, providers, purchasers of health care, and state agencies to allow for continuous review of health care utilization, expenditures, and quality and safety performance in the state.
- c) Be available to state agencies and private entities in the state that are engaged in efforts to improve health care, subject to rules adopted by the IDOI.
- d) Be presented to allow for comparisons of geographic, demographic, and economic factors and institutional size.
- e) Present data in a consumer-friendly manner.

Reports from the Indiana APCD and information on its consumer facing website will aid consumers, businesses, employers, purchasers of health care, state agencies, lawmakers, researchers, health care providers, insurers, and other stakeholders in making informed decisions regarding health care costs for specific services, expenditures, utilization, and quality and safety performance in the State.

Data is necessary to make informed decisions to adequately evaluate the total cost of health care and patient health care quality. Having access to health care claims data on a Statewide level improves transparency by using the data to better understand health care costs for Indiana.

Status of the Operations of the Indiana APCD

Onpoint Health Data Selected as Administrator of the Indiana APCD:

As noted above, IDOI went through the procurement process, issuing an RFI and RFP, to find a vendor that was the right fit for administering Indiana's APCD. IDOI sought a vendor that has proven experience providing data collection, management, and reporting services using health care claims and possesses the right infrastructure to collect and receive claims data. IDOI also knew it was imperative a vendor have expertise designing, developing, and implementing large claims databases. Moreover, IDOI required a vendor have a shared understanding of the importance of data security and privacy, with robust data encryption and member anonymization capabilities in accordance with IC 27-1-44.5-3.

IDOI is thrilled to have partnered with Onpoint Health Data to administer Indiana's APCD. Onpoint began working side-by-side with IDOI in early January this year. Onpoint is a proven leader in the APCD market, possesses a vast knowledge and array of qualifications, and is committed to Indiana APCD's success. Below shows only a handful of the experiences and opportunities that Onpoint brings to the table.

- Onpoint is a leader in the APCD market that offers full-service data management.
- Onpoint has developed more than 50% of the established APCDs nationally since 2003.
- Onpoint's integration platform includes end to end data quality validation procedures.
- Onpoint's HITRUST-certified information security program.
- Onpoint has a Cloud-based analytic environment.
- Onpoint has a team of analysts and engineers to design a web-based public reporting solution.

Onpoint also has built a robust information security program that is compliant with federal and state laws to ensure the security and confidentiality of data. Since launching its first APCD in 2003, Onpoint has securely received and processed more than 50 billion records with zero incidence of accidental disclosure of protected health information or personally identifiable information. Moreover, Onpoint's information



privacy and security program has been vetted and reviewed for compliance by all of its state government clients and successfully achieved HITRUST and CMS Qualified Entity Certification Program security compliance.

Onpoint is providing services to the Indiana APCD also in partnership with several Indiana-based organizations. To expand its market expertise and further the State's diversity goals, Onpoint is working with three (3) Indiana-certified contractors that bring distinct skills and capabilities. Brilljent is a Women Business Enterprise (WBE) and is delivering project management and consulting services. Haystack is a Minority Business Enterprise (MBE) and is providing web development services. Vespa Group is an Indiana Veteran Owned Small Business (IVOSB) and is providing infrastructure support services.

Indiana APCD Achieved Significant Accomplishments and is Excited for Upcoming Milestones:

Indiana APCD has accomplished a lot since the last report to the Indiana General Assembly and Governor Holcomb in 2022. Notably, IDOI brought Onpoint onboard to administer the Indiana APCD. IDOI approved the implementation of Onpoint's Project Management Plan (PMP). It defines how the project will be executed, monitored, controlled. The PMP includes the plans for data security and privacy, communication management, organizational change management, and quality and risk management. The PMP is the blueprint to build and operate the Indiana APCD and is crucial to the overall project.

Indiana law authorizes IDOI to promulgate administrative rules regarding the Indiana APCD. IDOI adopted its first Indiana APCD administrative rule in March 2023. The rule explains who is required to submit data to the Indiana APCD, details important deadlines, and addresses how IDOI will deal with noncompliance. The adoption of the rule was the first major step IDOI was able to take to establish expectations and map the project's timeline for the public.

IDOI and Onpoint have been partnering with health payers to ensure they are prepared to begin submitting data to the Indiana APCD. Health payers have participated in educational webinars jointly hosted by IDOI and Onpoint to discuss health payers' statutory and regulatory responsibilities to the Indiana APCD, share important timelines, explain the data submission process, and answer questions. Onpoint has also scheduled one-on-one sessions with health payers to offer support and guidance.

Additionally, health payers have registered with the Indiana APCD. Registration is the prerequisite for health payers to submit data to the Indiana APCD. Health payers must tell the Indiana APCD who they are, who their point of contact is, and signal their intent to submit data to the Indiana APCD. The efforts mentioned above of IDOI and Onpoint to partner with health payers made the registration process a success.

Health payers and Onpoint and IDOI have also been heavily engaged in testing data submissions. Health payers have submitted encrypted test files to ensure the accuracy of data submissions and technology compatibility. This is also an essential function to test data privacy and security protocols.

Health payers' submission of historical and catch-up data from January 1, 2020, through July 31, 2023, was due to the Indiana APCD August 31, 2023. This data will provide an important perspective of historical trends of health care costs, especially since the Indiana APCD will have limited amount of data for the first handful of years of implementation.



IDOI and Onpoint are also excited for the major milestones coming up. Chiefly, health payers will begin their submission of current time data October 2, 2023. This achievement will be a monumental step forward to accomplishing the vision and purpose set for the Indiana APCD. Onpoint also is working hard on developing a consumer-facing website for Hoosiers to view and compare the data submitted by health payers and IDOI is targeting the launch of this website in early 2024. Additionally, IDOI and Onpoint will continue to work closely with health payers to manage data submissions, address concerns, and offer assistance and to engage with the Indiana APCD Advisory Board.

It is important to note that effective July 1, 2023, IC 27-1-44.5-2 requires data for employee benefit plans subject to the Employee Retirement Income Security Act of 1974 be submitted to the Indiana APCD. Historical and catch-up data submissions and regular submissions of current time data are set to begin in early 2024.

Financial Stability and Efforts to Obtain Funding for the Indiana APCD

Initially, IDOI's original estimated projected cost for the APCD was approximately 20 million dollars for implementation, which included 4 to 5 million dollars for annual operations maintenance. In Onpoint's RFP, they estimate that the total projected cost for the APCD, including an extended contract and annual maintenance, would be a total of 15.7 million dollars. No commercial off-the-shelf options are available, and custom development would be inefficient when seasoned vendors with solutions are ready for implementation. The primary funding source for the Indiana APCD will be the Department of Insurance Fund established by IC 27-1-3-28. As indicated in the State Budget Agency's 2021 Whole Budget report, the Indiana General Assembly allocated 4.3 million dollars in FY2022 and 1 million dollars in FY2023. The IDOI anticipates that the Department of Insurance Fund will cover the cost of implementation.

IC 27-1-44.5-9(a)(3) requires the Executive Director to maximize funding opportunities and sources. Other potential and pending funding sources will include federal, local, and private grants, fees from data requests, submitter penalties, Medicaid matching funds, and general appropriations. Currently the IDOI is exploring federal funding grants through the State Budget Agency NextLevel Grants Management Office.

In addition to the above, the Indiana APCD Team is currently working together with Indiana Family and Social Services Administration (FSSA) to gather evidence to meet the criteria for CMS federal funding. Once approved, this funding will offset the Medicaid portion of the database administration. This funding will not cover the cost to intake, process, and store commercial and Medicare data.

Indiana APCD also created an outreach liaison position that was developed to assist the Executive Director in maximizing available funding opportunities by identifying and overseeing the timely submission of private, local, and federal grant applications for the Indiana APCD.