

Kennedy, Debora

To: Hough, Michelle
Subject: 05-3240/1

Michele, regardless of the outcome of the next meeting on this bill, I am going to have to make a technical change to it: On page 13, on lines 8, 9, and 21, the bill currently refers to the "POVD" rule and references "s. HFS 120.14 (1), 2005 Wis. Admin. Code". After talking with the Revisor about another bill, it appears that that is an incorrect reference: it should instead read "s. HFS 120.14 (1), Wis. Adm. Code, in effect on the effective date of this subsection [revisor inserts date]". The reason that this change is needed is that the code is not published yearly; instead, it is an ongoing loose-leaf service and codes can be printed or reprinted any month.

I can make this change now, for a /2 version, but would suggest that the change be made after the group meets, since there may be some other minor changes necessary at that time.

I apologize for the necessity to make the change.

Debora A. Kennedy

Managing Attorney
Legislative Reference Bureau
(608) 266-0137
debora.kennedy@legis.state.wi.us

Kennedy, Debora

From: Hough, Michelle
Sent: Thursday, November 17, 2005 2:46 PM
To: 'Welsh, Diane'; Sweet, Richard; Wood, Susan; Johnston, James; Nankivil Bennett, Nancy; Stanchfield, Eric; 'Nelson, Helene'; Kennedy, Debora
Subject: Small Group Meeting. Monday, Nov.28th 10am

Hello Everyone,

The small group meeting is scheduled for Monday, November 28th at 10:00am in our regular room (225 NW). The objective of the meeting is to make sure everyone is on the same page for the meeting on Tuesday, to answer any last minute questions ect. Most of you have already provided me with your availability. Please let me know if you are *UNABLE* to attend.

Thank you,

Michelle Hough
Office of Rep.Underheim
54th Assembly District

Kennedy, Debora

To: Rep.Underheim
Subject: RE: Invitation to the POVD Replacement meeting. Tuesday, November 29th

Thank you, Michelle. I can be there.

From: Rep.Underheim
Sent: Thursday, November 17, 2005 12:43 PM
To: 'jremsik@blmpr.com'; 'phillips.robert@marshfieldclinic.org'; 'michael.heifetz@deancare.com'; 'eborgerding@wha.org'; 'markg@wismed.org'; 'crussell@wpsic.com'; 'vvance@weatrust.com'; 'susant@wismed.org'; 'sbrenton@wha.org'; 'wesbrook.frederick@marshfieldclinic.org'; 'kevin.hayden@deancare.com'; 'donald.logan@deancare.com'
Cc: 'Welsh, Diane'; Sweet, Richard; Wood, Susan; Johnston, James; Nankivil Bennett, Nancy; Stanchfield, Eric; 'Nelson, Helene'; Kennedy, Debora; Rep.Underheim
Subject: Invitation to the POVD Replacement meeting. Tuesday, November 29th
Importance: High

Hello,

You are invited to attend the POVD replacement meeting on Tuesday, November 29th at 1:30 p.m. The meeting will be held in 225 NW. The purpose of the meeting is to allow final suggestions and compromises in order to reach a final product that the secretaries of both the Department of Health and Family Services and Department of Employee Trust Funds, Rep.Underheim, the Insurer community, Purchasers and Health Care Providers can live with. Please contact Michelle Hough at 608.266.2254 regarding your attendance to this meeting.

Sincerely,

Rep. Gregg Underheim
54th Assembly District
WI State Legislature

Attached is a copy of LRB 3240.

<< File: 05-32401.pdf >>

11/28/05 Mtg.: Rep Underheim, Michelle Haugh, Nancy, Helene Nelson, Dick Sweet, Laura Rose, Jim Johnston, Diane Welsh, Susan Wood

① Automatic data collection by DHFS -
Underheim - not willing to give up on mandate

Helene Nelson - POVD could be fixed; LAB said
shd be or deleted

episode of care v. povid.

Nancy:

① Data to be submitted + deidentified

BS assoc. agreement - how does it jibe w/
confidentiality

Underheim: Not good pub. policy to have providers
+ insurers in control of data

Contract is for:

Pub reporting

Public oversight

Helene: Provider groups say: POVD as a backup
is unacceptable

Underheim: Must be a guarantee that data will
be collected if K falls apart

Helene - legis involvement

DHFS shall study + may collect } previous
Reporting back to legis. } language

Underheim: Implement LAB suggestions +
Delete program

Nancy: WHIO will go forward, legis. or not; can
raise funds in ways other than bills

Helene: DHFS suspend rules by rulemaking
Underheim: If rules can come back at some pt.,
can live w/ that

Nelson: Existence + use of fee reviewed in budget
Underheim: wd have to be replaced w/ GPR

Helene: Med. Society has agreed to use phys. assessment
for WHIO

Nancy: Performance standards by WHIO to be
tied to phasing out POVD
Involve gov. + legislature

Four motions were made and approved by the Board on Health Care Information on 10/4/05:

- 1) Endorse in principle the initiative for a new health care data repository including information on costs of care across the continuum of care, replacing the current POVd system. (Mr. Jacobs made the motion, Dr. Turney seconded, all were in favor as written.)
- 2) Endorse the plan to phase-out the POVd system by January 2007. Endorse the administrative decisions not to expand the number of physician offices required to report or to invest in any extensive improvements to the current system with the intention that POVd will be replaced by a new approach. (Dr. Kindig made this motion stating that if #1 occurred it meant that POVd would sunset as soon as possible rather than by Jan 2007; Mr. Queram seconded, all were in favor.)
- 3) Endorse the concept of using physician assessment revenues as matching funds for development of the new system consistent with appropriation authority from the Governor and Legislature. (Mr. Jacobs made the motion, Dr. Kindig seconded, all were in favor.)
- 4) Approve the \$70 assessment for the current year. (Mr. Jacobs made the motion, Dr. Harms seconded, all were in favor.)

11/29/05 Mtg:

Rep. Underheim, Michelle Haugh, Laura Rose,
Mike Herfitz, et al

Underheim: Summarized bill

Joussant: WHIO's concern: data sharing agreement
w/ insurers is close - will be selecting a vendor
when next 6 mo. + have data available.

Seq WHIO + POVD are 2 sep. issues. Wants
ability for WHIO to operate separate from POVD.

Underheim: could not affect POVD at all;
rules stay in effect

Toussant: Would allow DHS to spend amount

and: unnecessary; they get all assessment

If WHIO doesn't work, wants POVD

~~if~~ If POVD disappears, motiv. to
collect will diminish

Pub policy: govt. collect

Is willing to suspend, but not elim.

Joussant: If get \$, etc if POVD stays

Heleen Nelson: Would like diff ideas under POVD.

and: Assmt goes back to POVD if WHIO fails

"Backstop" POVD in diff. legis.

Nelson: Need to suspend rules ~~collecting assets~~ =

Another chance at private mkt. before
reverts back to POVD

Summary:

Und: ① WHIO needs asset \$; will keep cash flowing
② not troubled by POVD mandate remaining,
but suspended

③ If WHIO falls apart, DHFS first effort is
to find another pub-private
(K w/ vendor similar to WHIO) <sup>see WHA
lang</sup>

④ If ③ doesn't succeed, DHFS must
collect, under old POVD program;
mandate kick in automatically

Nelson: Require DHFS to prom new rules
underharm. Prefer old rules

Nelson: If this group agrees, she agrees.

Jourisaut: Third default (going back to
POVD) is unlikely

Legis will prob. deal w/
assessment later

Nelson: Yes ↑

Underharm: DHFS could work on promulgating
rules now

DHFS: ~~From~~ Ability to issue emerg rules
if POVD kicks in again.
(Not necess to draft)

clarity in draft
DHPS authorized to collect ^{from insurers} - if they
voluntarily submit the data

By 12/1/05



Kennedy, Debora

From: Wood, Susan
Sent: Tuesday, November 29, 2005 4:32 PM
To: Johnston, James; Kennedy, Debora; Rep.Underheim; Hough, Michelle; Sweet, Richard
Cc: Welsh, Diane
Subject: [Possible Spam] technical changes/questions about LRB3240/1

Attachments: LRB 3240 issues nov 28 2005.doc



LRB 3240 issues
nov 28 2005.do...

In reviewing the current draft with our staff in DHfS who work on POV, several technical issues/questions were noted. I have summarized them on the attached. These are mostly technical issues not suitable for the discussion that we had yesterday or today so I gave a hard copy of this to Debora this afternoon at the end of the meeting on the proposed legislation. I want you all to have a copy.

Any questions, please let me know.
thank you
Susan

NOTICE: This email and any attachments may contain confidential information.

Use and further disclosure of the information by the recipient must be consistent with applicable laws, regulations and agreements. If you received this email in error, please notify the sender; delete the email; and do not use, disclose or store the information it contains.

Susan Wood
Director, Bureau of Health Information and Policy Division of Public Health Wisconsin
Department of Health and Family Services
608-261-4958

LRB 3240/1 – issues to discuss

PAGE	LINE	CHANGE
6	2	May me more than one unified report so language should say “disseminate unified public reports”
6	22	adding the phrase “to the extent the rules are consistent with this chapter” could change the rules under which WHA operates – at present the rules are frozen as of the time of the DOA contract with WHA
8	18	I think shall should be changed to may
9	5-6	The form in which data is submitted is very important – should be standard electronic format to minimize work for submitters
11	11-17	I think this section can be dropped because it is not necessary – the reporting is voluntary
13	7-8	Strike the words “analyzing and disseminating” because DHFS will cease collecting but will still have responsibility and need to analyze and disseminate POV data. Also change the words to say that DHFS will cease collecting data for specified quarters – to recognize that there is the lag time in reporting. For example, if POV ends June 30, 2006 DHFS would collect data for April – June 2006 in July/August 2006.
18	10-12	<p>May be a problem with how the assessment is approved for SFY07 – it seems that both the Board on Health Care Information and the JFC have some authority – depending on the assessment amount that the Department proposes</p> <p>Could delete the boards effective July 1, 2006 to resolve this in section 75 – Effective Dates. This is good timing with the plans to sunset POV (last quarter of data collected will be April -June 2006, using July – November to complete collection, editing and creation of public use files)</p>

- what about elim aug. for now?
 or having Jt. Fin aug. come in on July, 2006?



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

1 EAST MAIN, SUITE 200
P. O. BOX 2037
MADISON, WI 53701-2037

STEPHEN R. MILLER
CHIEF

LEGAL SECTION: (608) 266-3561
LEGAL FAX: (608) 264-6948
REFERENCE SECTION: (608) 266-0341
REFERENCE FAX: (608) 266-5648

FAX TRANSMITTAL COVER SHEET

(From: LRB-Legal Section-Front Office ... Fax: 608-264-6948)

Date: November 29, 2005 Time: 3:47

Total pages transmitted, including this page: 3

Please Deliver This FAX To: Michelle Hough

Telephone Number: _____

FAX Number: 608-282-3654

MESSAGE: Please see the attached, Michele.

Senders Name: Debra Kennedy

This facsimile is intended only for the use of the addressee named herein and may contain legally privileged and confidential information. If you are not the intended recipient of this facsimile, you are hereby notified that any dissemination, distribution or copying of this facsimile is strictly prohibited. If you received this facsimile in error, or if you encounter any problems with transmission, please telephone us at (608) 266-3561.

Michelle:

This FAX contains the changes for the bill proposed by Susan Wood of DHFS. I have commented on the right-hand side of the proposed changes (a question mark means that it's a policy question that you should approve). The second item is important; it is an issue that I raised in the Drafter's Note for 05-3240/1, No. 4.

Debra Kennedy

11/29/05
 Debora -
 from
 Susan
 Word 261-4958

LRB 3240/1 – issues to discuss

PAGE	LINE	CHANGE	
✓ 6	2	May be more than one unified report so language should say "disseminate unified public reports"	unnecessary; since can be read as pub.
✓ 6	22	adding the phrase "to the extent the rules are consistent with this chapter" could change the rules under which WHA operates – at present the rules are frozen as of the time of the DOA contract with WHA	Yes; a problem; see D-Note # 4. ?
✓ 8	18	I think shall should be changed to may	Correct; I will fix
✓ 9	5-6	The form in which data is submitted is very important – should be standard electronic format to minimize work for submitters	?
✓ 11	11-17	I think this section can be dropped because it is not necessary – the reporting is voluntary	Correct; I will fix
✓ 13	7-8	Strike the words "analyzing and disseminating" because DHFS will cease collecting but will still have responsibility and need to analyze and disseminate POV data. Also change the words to say that DHFS will cease collecting data for specified quarters – to recognize that there is the lag time in reporting. For example, if POV ends June 30, 2006 DHFS would collect data for April – June 2006 in July/August 2006.	?
✓ 18	10-12	May be a problem with how the assessment is approved for SFY07 – it seems that both the Board on Health Care Information and the JFC have some authority – depending on the assessment amount that the Department proposes Could delete the boards effective July 1, 2006 to resolve this (in section 75 – Effective Dates.) This is good timing with the plans to sunset POV (last quarter of data collected will be April -June 2006, using July – November to complete collection, editing and creation of public use files)	?

12/2/05: From Michelle Hough: ok to implement DHAS' changes.

Kennedy, Debora

From: Welsh, Diane
Sent: Friday, December 02, 2005 5:32 PM
To: Kennedy, Debora; Hough, Michelle
Cc: Johnston, James; Wood, Susan; Hermes, Ron; Nelson, Helene
Subject: [Possible Spam] One more requested change to the bill draft.

Importance: High

As we finalize the POVd replacement bill draft, DHFS would like to request one more stat language change, as follows,

Amend s. 153.50(4)(a)3. to state:

"The department or its agent, for purposes of epidemiological investigation or, with respect to information from health care providers that are not hospitals or ambulatory surgery centers, to eliminate the need for duplicative databases."

The purpose of this change is to clarify that DHFS may work with contractors or collaborators in doing epidemiological investigations. The stat language change is a clarification that actually reflects past practice.

Making the change would help clarify that the use is appropriate, which will be helpful as we proceed with finalizing the Data Use Agreement between WHA and DHFS.

I reviewed the proposed language with WHA and Joe Kachelski has informed me that they do not oppose the change.

Please let me know if you have any questions or need additional information.

Diane Welsh

Kennedy, Debora

From: Hough, Michelle
Sent: Monday, December 05, 2005 4:08 PM
To: Kennedy, Debora
Subject: FW: One more requested change to the bill draft.

Hi Debora,

Go ahead and make the final suggested change. Below, Dick assumes she wants to keep the changes to s. 153.50(4)(a)3. I'm not sure what this is, but if you need info from me regarding this...let me know.

Thanks!

Michelle

-----Original Message-----

From: Sweet, Richard
Sent: Monday, December 05, 2005 3:25 PM
To: Hough, Michelle
Subject: RE: One more requested change to the bill draft.

Michelle,

The addition of "or its agent" seems fine, but I assume Susan also wants to keep the changes to s. 153.50(4)(a)3. that are already in the draft (p. 16, lines 20 and 21). I cc'ed her on this message.

Dick

-----Original Message-----

From: Hough, Michelle
Sent: Monday, December 05, 2005 8:45 AM
To: Sweet, Richard
Subject: re: One more requested change to the bill draft.
Importance: High

Hi Dick,

Does this look OK to you?

Thanks,

Michelle

-----Original Message-----

From: Welsh, Diane
Sent: Friday, December 02, 2005 5:32 PM
To: Kennedy, Debora; Hough, Michelle
Cc: Johnston, James; Wood, Susan; Hermes, Ron; Nelson, Helene
Subject: [Possible Spam] One more requested change to the bill draft.
Importance: High

As we finalize the POVd replacement bill draft, DHFS would like to request one more stat language change, as follows,

Amend s. 153.50(4)(a)3. to state:

"The department or its agent, for purposes of epidemiological investigation or, with respect to information from health care providers that are not hospitals or ambulatory surgery centers, to eliminate the need for duplicative databases."

The purpose of this change is to clarify that DHFS may work with contractors or

collaborators in doing epidemiological investigations. The stat language change is a clarification that actually reflects past practice.

Making the change would help clarify that the use is appropriate, which will be helpful as we proceed with finalizing the Data Use Agreement between WHA and DHFS.

I reviewed the proposed language with WHA and Joe Kachelski has informed me that they do not oppose the change.

Please let me know if you have any questions or need additional information.

Diane Welsh

12/5/05

Q for Dick Sweet:

1. Bec. of DHFS' desire to continue analyzing + disseminating the he info, should 153.75 (1)(p) not be suspended?

Yes; don't suspend

2. Conflict re phys. assault. amt.

(a) Shd. Gr. Fin. stuff take effect when Bd. is killed off

or

(b) Shd. bd approval be killed off now, before 7/1/06? Yes

3. New DHFS' stuff

"agent" - shd. ~~it be data org~~
See his changes - add agent,
plus retain ref. to data org

Kennedy, Debora

From: Hough, Michelle
Sent: Tuesday, December 06, 2005 1:31 PM
To: 'jremsik@blmpr.com'; 'phillips.robert@marshfieldclinic.org'; 'michael.heifetz@deancare.com'; 'eborgerding@wha.org'; 'markg@wismed.org'; 'crussell@wpsic.com'; 'vance@weatrust.com'; 'susant@wismed.org'; 'sbrenton@wha.org'; 'wesbrook.frederick@marshfieldclinic.org'; 'kevin.hayden@deancare.com'; 'donald.logan@deancare.com'; 'Welsh, Diane'; Sweet, Richard; Wood, Susan; Johnston, James; Nankivil Bennett, Nancy; Stanchfield, Eric; 'Nelson, Helene'; Kennedy, Debora; Hermes, Ron
Cc: Rose, Laura
Subject: Leg. Council Memo on POV D Replacement LRB 3240.2
Attachments: Leg Council Memo 3240(2).pdf

Hello Everyone,

Thank you to those who were able to attend last week's meeting. Attached is the Legislative Council Memo on the POV D replacement legislation (thanks, Laura Rose) which outlines the changes that were made during the meeting. The updated bill draft should be available Thursday morning (thanks, Debora), I will be sure to send each of you a copy when I get it. If you have any questions, please let me know.

Sincerely,

Michelle Hough
Office of Rep.Underheim
54th Assembly District



Leg Council Memo
3240(2).pdf (...)



WISCONSIN LEGISLATIVE COUNCIL

*Terry C. Anderson, Director
Laura D. Rose, Deputy Director*

TO: REPRESENTATIVE GREGG UNDERHEIM

FROM: Laura Rose, Deputy Director

RE: Description of LRB-3240/2, Relating to Requiring a Contract With a Data Organization for the Collection, Analysis, and Dissemination of Health Care Claims Information

DATE: December 6, 2005

This memorandum describes LRB-3240/2 (hereafter, "the draft"), relating to requiring a contract with a data organization for the collection, analysis, and dissemination of health care claims information. This description incorporates suggested revisions to the draft that were made at a meeting held on November 29, 2005 at the State Capitol.

The major revision approved at the meeting was the addition of a provision that, if the Secretaries of Health and Family Services and Employee Trust Funds determine that the data organization is not in compliance with the contract with respect to the performance of the collection and public reporting of the information regarding the cost, quality, and effectiveness of health care, including the development and maintenance of a centralized data repository, or determine that there is insufficient statewide participation under the requirements of the contract, the secretaries may then issue a competitive request-for-proposal (RFP) to solicit offers from other organizations to perform the functions under the contract.

If no organization responds to the RFP, then, as in the original draft, the secretaries may modify or terminate the contract with the data organization. If the secretaries do not modify the contract, or enter into an RFP with another organization, the Department of Health and Family Services (DHFS), in its capacity as a public health authority, must collect, analyze, and disseminate the information.

The other major revisions in the draft are technical changes suggested by the DHFS and are not described herein.

Contract With Data Organization

The draft authorizes the Department of Employee Trust Funds (DETF) and the DHFS to jointly enter into a contract with a data organization to collect, analyze, and publicly report health care claims

information with respect to the cost, quality, and effectiveness of health care. The data organization must maintain a centralized data repository, and provide to the DHFS, without charge, health care claims information collected by and reports produced by the data organization that the DHFS request.

The following conditions apply to the contract:

- At least during the period of the contract, the data organization must include as voting members of the board of directors of the data organization the Secretaries of Health and Family Services and Employee Trust Funds, or their designees.
- The data organization must provide matching funds, which may include in-kind contributions, as specified in the contract.
- Termination of funding and of services of the data organization under the contract or modification of the contract is subject to a determination made by the Secretaries of DETF and DHFS, as described under the heading "Contract Contingency," below.

Other Responsibilities of Data Organization

Other responsibilities of the data organization are set out in the draft, as follows:

- The data organization may request insurers and administrators to submit to the data organization health care claims information for the preparation of reports, plans, and recommendations, in the form specified by the data organization.
- The data organization may publicly report, in language understandable to laypersons, health care claims information from insurers and administrators.
- The data organization must provide orientation and training to insurers and administrators that submit data, to explain the process of data collection and analysis and the procedures for data verification, comment, interpretation, and release.
- The data organization must assist members of the public in interpreting data in health care information disseminated by the data organization.

Contract Contingency

The draft provides that, beginning on the date that is 60 days after the contract with the data organization takes effect, the DHFS must cease collecting health care claims data from physicians, as specified in s. HFS 120.14 (1), 2005 Wis. Adm. Code.

Beginning on the date, if the Secretaries of Health and Family Services and Employee Trust Funds determine that the data organization is not in compliance with the contract with respect to the performance of the collection and public reporting of the information regarding the cost, quality, and effectiveness of health care, including the development and maintenance of a centralized data repository, or determine that there is insufficient statewide participation under the requirements of the contract, the

secretaries may issue a competitive RFP to solicit offers from other organizations to perform the functions under the contract.

If no organization responds to the RFP, the secretaries may modify or terminate the contract with the data organization. If the secretaries do not modify the contract or enter into an RFP with another organization, the DHFS, in its capacity as a public health authority, must collect, analyze and disseminate the information.

Protection of Patient Information

The draft makes patient confidentiality protections under current law applicable to the data organization under contract with DHFS and DETF. The draft specifies that "patient identifiable data" does not include calculated variables that are derived from patient-identifiable data and the dissemination of which does not permit patient identification. A "calculated variable" is defined in the draft as a data element that is computed or derived from an original data item or derived using another data source.

Elimination of Boards and Council

The draft eliminates the Board on Health Care Information, the Independent Review Board, which reviews and approves release or sale by DHFS of certain health care information; and the Interagency Coordinating Council, which assists state agencies in the coordination and exchange of information concerning programs that collect, analyze, and disseminate health care data.

These boards and councils are eliminated as of January 1, 2007.

Assessments

Currently, there is a prohibition on assessing health care providers that are not facilities more than \$75 per fiscal year. The draft eliminates this prohibition and instead requires that DHFS, if proposing to increase the assessment above \$70 per year for non-facilities, must obtain approval of the Joint Committee on Finance, under passive review procedure. The assessments would fund the contract with the data organization.

If the contract is terminated, the assessments would revert to funding the health care information collection, analysis, and dissemination activities of DHFS, as are performed under current law.

The DETF and DHFS provide funding for the contract. The DETF may expend up to \$150,000 and the DHFS, in its capacity as a public health authority may expend moneys, to enter into the joint contract with the data organization.

If you have any questions, please feel free to contact me directly at the Legislative Council staff offices.

LR:jal