



1995 SENATE BILL 369

October 10, 1995 - Introduced by Senators BUETTNER, ROSENZWEIG and SCHULTZ, cosponsored by Representatives UNDERHEIM, URBAN, ROBSON, SILBAUGH, LEHMAN, MEYER and OLSEN. Referred to Committee on Health, Human Services and Aging.

1 **AN ACT to repeal** 15.735 (2); **to renumber** 153.07 (3); **to amend** 15.07 (2) (b),
2 15.07 (3) (bm) 1., 20.145 (8) (hg), 20.145 (8) (mr) and 153.01 (2); and **to create**
3 15.735 (3), 153.01 (4r), 153.01 (8m) and 153.07 (3) to (7) of the statutes; **relating**
4 **to:** eliminating the board on health care information, creating a health care
5 data oversight board, requiring development of health plan performance
6 measures and models, development of a health care data collection and
7 dissemination systems improvement plan and the study of consolidating
8 certain functions in a single state agency and requiring submittal of certain
9 reports.

Analysis by the Legislative Reference Bureau

Under current law, the 7-member board on health care information, which is attached to the office of the commissioner of insurance, must advise the director of the office of health care information (OHCI) with respect to the collecting, analyzing and dissemination of health care information that OHCI must perform. The board on health care information also may determine whether to contract for, or have the department of health and social services provide, the data processing services necessary for collecting, analyzing and disseminating this health care information.

This bill eliminates the board on health care information and creates a 19-member health care data oversight board, which assumes the powers and duties of the board on health care information. Under the bill, beginning on January 1, 1996, the health care data oversight board must develop recommendations on the use of health plan performance measures and develop a health care data collection

and dissemination systems improvement plan for this state. The health care data oversight board must also review existing health care data collection undertaken by state agencies and, as part of this review, study issues associated with the consolidation of health care data collection and dissemination for performance by a single state agency and report its recommendations to the legislature by July 1, 1996. The health care data oversight board is required to perform several other functions under the bill, including recommending membership for 3 committees, to be appointed by the commissioner of insurance, from which the board must seek advice concerning, among other things, any adjustments that are necessary to the health care data collection and dissemination systems improvement plan. The health care data oversight board must report on the development of the plan to the legislature, the commissioner of insurance and the governor by January 1, 1997, and must also report, by June 30, 1997, and biennially thereafter, concerning recommendations under the plan and progress made toward implementing the recommendations. Beginning on January 1, 1997, the board must direct OHCI to apply the plan to the collection and dissemination of encounter-level data from health care providers and from the data bases of programs of certain state agencies. The health care data oversight board must report concerning the application of the plan to this data to the appropriate standing committees of the legislature, the commissioner of insurance and the governor by January 1, 1998. Lastly, the board must report to the same bodies by January 1, 1997, concerning recommendations for state statutory and rules changes and by June 30, 1997, on findings regarding the feasibility of developing a health care data institute or instituting a publicly sponsored program for private health care data collection.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 15.07 (2) (b) of the statutes is amended to read:

2 15.07 (2) (b) The chairperson of the ~~board on health care information data~~
3 oversight board shall be designated biennially by the governor.

4 **SECTION 2.** 15.07 (3) (bm) 1. of the statutes is amended to read:

5 15.07 (3) (bm) 1. The ~~board on health care information data oversight board~~
6 shall meet 4 times each year and may meet at other times on the call of the
7 chairperson or a majority of the board's members.

8 **SECTION 3.** 15.735 (2) of the statutes is repealed.

1 **SECTION 4.** 15.735 (3) of the statutes is created to read:

2 15.735 (3) HEALTH CARE DATA OVERSIGHT BOARD. There is created a health care
3 data oversight board which is attached to the office of the commissioner of insurance
4 under s. 15.03. The board shall consist of all of the following members, appointed for
5 4-year terms:

6 (a) One representative of hospitals, who is nominated by the Wisconsin
7 Hospital Association, Inc.

8 (b) One representative of clinics, who is nominated by the Wisconsin Medical
9 Group Management Association.

10 (c) Three members of the insurance industry, one of whom is nominated by the
11 Association of Wisconsin HMOs, one of whom is nominated by Blue Cross and Blue
12 Shield United of Wisconsin and one of whom is nominated by an insurer that is
13 authorized to do business in this state in one or more lines of insurance that includes
14 health insurance.

15 (d) Two health care consumers, one of whom is nominated by the American
16 Federation of State, County and Municipal Employees, Council 24, and one of whom
17 is nominated by the secretary of health and social services.

18 (e) The following 4 purchasers of health care or health care coverage on behalf
19 of a group:

20 1. Two purchasers who are nominated by the Wisconsin Association of
21 Manufacturers and Commerce, Inc., one of whom purchases on behalf of a group that
22 is located in an urban area and one of whom purchases on behalf of a group that is
23 located in a rural area.

24 2. One purchaser who is nominated by a self-insured health plan.

1 3. One purchaser who is nominated by the National Federation of Independent
2 Business, Wisconsin chapter.

3 (f) Two physicians, one of whom practices in a rural area and one of whom
4 practices in an urban area, who are nominated by the State Medical Society of
5 Wisconsin.

6 (g) Two members who have expertise in health care data, one of whom is a
7 member of the faculty of the Medical College of Wisconsin, Inc., and one of whom is
8 a member of the faculty of the University of Wisconsin-Madison who is nominated
9 by the chancellor of the University of Wisconsin-Madison.

10 (h) One nurse who holds a certificate of registration under s. 441.06 (1) or a
11 license under s. 441.10 (3) and who is nominated by the Wisconsin Nurses
12 Association Incorporated.

13 (i) A representative of the office of the commissioner of insurance who is
14 designated by the commissioner of insurance.

15 (j) A representative of the department of employe trust funds who is designated
16 by the secretary of employe trust funds.

17 (k) A representative of the department of health and social services who is
18 designated by the secretary of health and social services.

19 **SECTION 5.** 20.145 (8) (hg) of the statutes is amended to read:

20 20.145 (8) (hg) *General program operations; office of health care information.*

21 The amounts in the schedule to fund the activities of the office of health care
22 information and the ~~board on health care information~~ data oversight board under ch.
23 153. The assessments paid under s. 153.60 shall be credited to this appropriation
24 account.

25 **SECTION 6.** 20.145 (8) (mr) of the statutes is amended to read:

1 20.145 (8) (mr) *Federal funds; office of health care information.* All moneys
2 received from the federal government, as authorized by the governor under s. 16.54,
3 for the purposes of the office of health care information and the ~~board on~~ health care
4 ~~information~~ data oversight board under ch. 153.

5 **SECTION 7.** 153.01 (2) of the statutes is amended to read:

6 153.01 (2) “Board” means the ~~board on~~ health care information data oversight
7 board.

8 **SECTION 8.** 153.01 (4r) of the statutes is created to read:

9 153.01 (4r) “Encounter-level data” means data related to the use of health care
10 services by and the provision of health care services to individual patients or
11 insureds, including claims data, abstracts of medical records and data from patient
12 interviews and surveys.

13 **SECTION 9.** 153.01 (8m) of the statutes is created to read:

14 153.01 (8m) “State agency” has the meaning given in s. 16.004 (12) (a).

15 **SECTION 10.** 153.07 (3) of the statutes is renumbered 153.07 (8).

16 **SECTION 11.** 153.07 (3) to (7) of the statutes are created to read:

17 153.07 (3) The board shall work to accomplish all of the following:

18 (a) Increased accessibility to and usefulness of health care data.

19 (b) Development of a detailed plan of procedure for the release of health care
20 data that distinguishes health care data intended to be available for public use from
21 health care data intended to be restricted for research and other nonpublic use.

22 (c) Consideration of the feasibility of developing a health care data institute for
23 public and private use or instituting a publicly sponsored program for private health
24 care data collection.

1 (4) The board shall seek advice from the committees specified under 1995
2 Wisconsin Act (this act), section 12 (2), on all of the following:

3 (a) The identification of health care data policy issues that require extensive
4 research.

5 (b) Recommended health care data collection, analysis and dissemination
6 techniques for meeting the needs of policy makers and the public.

7 (c) Any recommended adjustments to the health care data collection and
8 dissemination systems improvement plan under sub. (5).

9 (5) Beginning on January 1, 1996, the health care data oversight board shall
10 do all of the following:

11 (a) Develop recommendations on the use of health plan performance measures,
12 including recommendations on standardizing measures.

13 (b) Develop a health care data collection and dissemination systems
14 improvement plan for this state that addresses the following areas:

15 1. Identification of health care data collection needs of the state, with priority
16 given to data collection necessary to support public policy decisions.

17 2. Identification of data that can be collected through the private sector and
18 data for which state data collection and analysis is appropriate.

19 3. Identification of data that should be collected on an ongoing basis and data
20 that should be collected on a one-time or periodic basis.

21 4. An analysis of the costs and benefits of linking state data systems that are
22 specific to programs of services, including services under the mental health system
23 in this state, with encounter-level data related to the use of health care services in
24 the private sector.

25 5. Recommendations on the collection and dissemination of all of the following:

- 1 a. Comparisons of costs, including costs of health insurance plan premiums.
- 2 b. Information on costs of various health care services that is available through
3 existing data collection mechanisms.
- 4 c. Information not currently available that addresses overall costs and charges
5 for care for selected high-cost or high-volume conditions and episodes of care.
- 6 (c) In developing the plan under par. (b), the board shall give consideration to
7 the administrative costs imposed on health care providers and insurers as a result
8 of state data collection requirements and shall seek to minimize those costs,
9 consistent with providing necessary information to state policy makers.
- 10 (d) 1. Review existing health care data collection undertaken by state agencies,
11 and where appropriate, recommend any of the following:
- 12 a. Elimination of unnecessary data collection.
- 13 b. Modifications to existing data collection that will improve the utility of the
14 data or reduce the administrative costs to the public and private sectors.
- 15 c. Steps that would improve linkages between data systems if the linkages
16 would assist policy makers in evaluating policy issues and alternatives.
- 17 2. As part of the review and recommendations under subd. 1., study issues
18 associated with consolidating all health care data collection and dissemination that
19 is performed by state agencies into a single state agency.
- 20 **(6)** (a) Beginning on January 1, 1997, the board shall direct the office, except
21 as provided under par. (b), to apply the health care data collection and dissemination
22 systems improvement plan under sub. (5) to the collection and dissemination of
23 encounter-level data from all of the following:
- 24 1. Health care providers under s. 153.05 (8).

1 2. The data bases of programs of state agencies under which health and mental
2 health services are provided and under which vital statistics, as defined in s. 69.01
3 (27), are collected.

4 (b) The board may select private contractors or a partnership of public and
5 private entities to perform the duty assigned to the office under par. (a). The board
6 shall first promulgate rules that specify the selection criteria and the manner in
7 which the encounter-level data shall be so collected and disseminated.

8 (c) By June 30, 1997, and biennially thereafter, the board shall submit a report
9 to the appropriate standing committees under s. 13.172 (3), to the commissioner and
10 to the governor, concerning the recommendations made under sub. (5) and progress
11 made toward the implementation of those recommendations.

12 (d) By January 1, 1998, the board shall submit a report to the appropriate
13 standing committees under s. 13.172 (3), to the commissioner and to the governor,
14 concerning the application of the health care data collection and dissemination
15 systems improvement plan to encounter-level data under par. (a) or (b).

16 (7) State agencies that receive requests for information and assistance from the
17 board under this section shall assist the board and provide access to information that
18 is not patient-identifiable to enable the board to complete its tasks.

19 **SECTION 12. Nonstatutory provisions.**

20 (1) INITIAL APPOINTMENTS OF MEMBERS OF THE HEALTH CARE DATA OVERSIGHT
21 BOARD. Notwithstanding the length of terms specified in section 15.735 (3) of the
22 statutes, as created by this act, the initial members of the health care data oversight
23 board shall be appointed for the following terms:

24 (a) The members specified in section 15.735 (3) (a), (b), (c), (d), (g) and (i) of the
25 statutes, as created by this act, for terms expiring on May 1, 1999.

1 (b) The members specified in section 15.735 (3) (e), (f), (h), (j) and (k) of the
2 statutes, as created by this act, for terms expiring on May 1, 2001.

3 (2) COMMITTEES OF HEALTH CARE DATA OVERSIGHT BOARD. After first consulting
4 with the office of health care information and soliciting names of appropriate persons
5 from other sources, the health care data oversight board shall provide the
6 commissioner of insurance with recommendations of persons as members of an
7 ethics and confidentiality committee, a technical systems administration committee
8 and a performance and measurement committee of the health care data oversight
9 board. Each committee shall have as a member at least one licensed physician. By
10 the first day of the 7th month beginning after the effective date of this subsection,
11 the commissioner of insurance shall appoint the recommended persons as members
12 of the committees.

13 (3) REPORT ON STATE AGENCY CONSOLIDATION. By July 1, 1996, the health care
14 data oversight board, as created by this act, shall submit a report to the legislature
15 in the manner provided under section 13.172 (3) of the statutes, concerning the
16 board's recommendations as to consolidation of health care data collection and
17 dissemination by state agencies into a single state agency.

18 (4) REPORT ON HEALTH CARE DATA PLAN. By January 1, 1997, the health care data
19 oversight board, as created by this act, shall submit a report to the legislature in the
20 manner provided under section 13.172 (3) of the statutes, to the commissioner of
21 insurance and to the governor, concerning the development of the health care data
22 collection and dissemination systems improvement plan under section 153.07 (5) (b)
23 of the statutes, as created by this act.

24 (5) REPORT ON RECOMMENDED STATUTORY OR RULES CHANGES. By January 1, 1997,
25 the health care data oversight board, as created by this act, shall submit a report to

1 the legislature in the manner provided under section 13.172 (3) of the statutes, to the
2 commissioner of insurance and to the governor, concerning the board's
3 recommendations for changes in state statutes or administrative rules needed to
4 implement policies for the release of health care data under section 153.07 (3) (b) of
5 the statutes, as created by this act.

6 (6) REPORT ON HEALTH CARE DATA INSTITUTE OR PUBLICLY SPONSORED PROGRAM. By
7 June 30, 1997, the health care data oversight board, as created by this act, shall
8 submit a report to the legislature in the manner provided under section 13.172 (3)
9 of the statutes, to the commissioner of insurance and to the governor, concerning the
10 board's findings regarding the feasibility of developing a health care data institute
11 or instituting a publicly sponsored program for private health care data collection
12 under section 153.07 (3) (c) of the statutes, as created by this act.

13 (END)