

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 7163      PCB HHSC 13-01      Comprehensive Health Information System  
**SPONSOR(S):** Health & Human Services Committee, Ahern  
**TIED BILLS:**            **IDEN./SIM. BILLS:** CS/SB 1258

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Health & Human Services Committee	12 Y, 6 N	Entress	Calamas
1) Appropriations Committee	15 Y, 9 N	Clark	Leznoff

### SUMMARY ANALYSIS

The Florida Center for Health Information and Policy Analysis (The Florida Center) is housed within the Agency for Health Care Administration (AHCA) and provides a comprehensive health information system that includes the collection, compilation, coordination, analysis, indexing, dissemination, and utilization of health-related data.

The bill focuses AHCA's role on the collection and dissemination of health-related data by replacing the Florida Center with the Florida Health Information Transparency Initiative (Transparency Initiative). AHCA will no longer collect certain data such as the incidence of disease or mortality; instead the Transparency Initiative will collect data and information on:

- Health resources;
- Utilization of health resources;
- Health care costs and financing;
- The extent, source, and type of public and private health insurance coverage in the state; and
- Data necessary for measuring value and quality of care provided by various health care providers.

The Transparency Initiative will make the data available in a manner that allows for and encourages multiple innovative uses. Subject to the General Appropriations Act, AHCA will contract with private-sector vendors to develop new methods of dissemination and to convert the data into easily usable electronic formats.

The bill specifies that AHCA may accept payments and use the funds for undertaking special studies and projects. AHCA must implement the Transparency Initiative in a manner that recognizes state-collected data as an asset and rewards taxpayer investment in information collection and management.

The bill has an insignificant recurring positive fiscal impact on state government due to reduced travel. Other provisions of the bill will be accomplished using existing resources.

The bill provides an effective date of July 1, 2013.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Present Situation

##### Florida Center for Health Information and Policy Analysis

The Florida Center for Health Information and Policy Analysis (the Florida Center) provides a comprehensive health information system (information system) that includes the collection, compilation, coordination, analysis, indexing, dissemination, and utilization of health-related data.<sup>1</sup> The Florida Center is housed within the Agency for Health Care Administration (AHCA)<sup>2</sup> and is funded through appropriations in the General Appropriations Act, through grants, gifts, and other payments, and through fees charged for services.<sup>3</sup> There are five offices within the Florida Center, which serve different functions.<sup>4</sup> The offices are:

- Data Collection and Quality Assurance, which collects patient discharge data from all licensed acute care hospitals (including psychiatric and comprehensive rehabilitation units), comprehensive rehabilitation hospitals, ambulatory surgical centers and emergency departments.<sup>5</sup>
- Risk Management and Patient Safety, which conducts in-depth analyses of reported incidents to determine what happened and how the facility responded to the incident.<sup>6</sup>
- Data Dissemination and Communication, which maintains AHCA's health information website,<sup>7</sup> provides technical assistance to data users, and creates consumer brochures and other publications.<sup>8</sup>
- Health Policy and Research, which conducts research and analysis of health care data from facilities and develops policy recommendations aimed at improving the delivery of health care services in Florida.<sup>9</sup>
- Health Information Exchange, which monitors innovations in health information technology, informatics, and the exchange of health information and provides a clearinghouse of technical resources on health information exchange, electronic prescribing, privacy and security, and other relevant issues.<sup>10</sup>

The Florida Center identifies existing health-related data and collects data for use in the information system. The information collected by the Florida Center must include:

- The extent and nature of illness and disability of the state population, including life expectancy, the incidence of various acute and chronic illnesses, and infant and maternal morbidity and mortality;
- The impact of illness and disability of the state population on the state economy and on other aspects of the well-being of the people in this state;
- Environmental, social, and other health hazards;

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<sup>1</sup> S. 408.05(1), F.S.

<sup>2</sup> S. 408.05(1), F.S.

<sup>3</sup> S. 408.05(7), F.S.

<sup>4</sup> Florida Center for Health Information and Policy Analysis, the Agency for Health Care Administration, *accessible at* <http://ahca.myflorida.com/SCHS/index.shtml>, last visited on April 3, 2013.

<sup>5</sup> Office of Data Collection & Quality Assurance, the Agency for Health Care Administration, *accessible at* <http://ahca.myflorida.com/SCHS/division.shtml#DataC>, last visited on April 3, 2013.

<sup>6</sup> Office of Risk Management and Patient Safety, the Agency for Health Care Administration, *accessible at* <http://ahca.myflorida.com/SCHS/division.shtml#PatientSafety>, last visited on April 3, 2013.

<sup>7</sup> [www.FloridaHealthFinder.gov](http://www.FloridaHealthFinder.gov).

<sup>8</sup> Office of Data Dissemination and Communication, the Agency for Health Care Administration, *accessible at* <http://ahca.myflorida.com/SCHS/division.shtml#DataD>, last visited on April 3, 2013.

<sup>9</sup> Office of Health Policy and Research, the Agency for Health Care Administration, *accessible at* [http://ahca.myflorida.com/SCHS/division.shtml#Policy\\_Research](http://ahca.myflorida.com/SCHS/division.shtml#Policy_Research), last visited April 3, 2013.

<sup>10</sup> Office of Health Information Exchange, the Agency for Health Care Administration, *accessible at* <http://ahca.myflorida.com/SCHS/division.shtml#HIE>, last visited April 3, 2013.

- Health knowledge and practices of the people in this state and determinants of health and nutritional practices and status;
- Health resources, including physicians, dentists, nurses, and other health professionals, by specialty and type of practice and acute, long-term care and other institutional care facility supplies and specific services provided by hospitals, nursing homes, home health agencies, and other health care facilities;
- Utilization of health care by type of provider;
- Health care costs and financing, including trends in health care prices and costs, the sources of payment for health care services, and federal, state, and local expenditures for health care;
- Family formation, growth, and dissolution;
- The extent of public and private health insurance coverage in this state; and
- The quality of care provided by various health care providers.<sup>11</sup>

The Florida Center electronically collects patient data from every Florida licensed inpatient hospital, ambulatory surgery center (ASC), emergency department, and comprehensive rehabilitation hospital on a quarterly basis. The data is validated for accuracy and maintained in three major databases: the hospital inpatient database, the ambulatory surgery database, and the emergency department database.<sup>12</sup>

- **The hospital inpatient database** contains records for each patient stay at Florida acute care facilities, including long-term care hospitals and psychiatric hospitals. These records contain extensive patient information including discharge records, patient demographics, admission information, medical information, and charge data.<sup>13</sup> This database also includes comprehensive inpatient rehabilitation data on patient-level discharge information from Florida's licensed freestanding comprehensive inpatient rehabilitation hospitals and acute care hospital distinct part rehabilitation units.<sup>14</sup>
- **The ambulatory surgery database** contains "same-day surgery" data on reportable patient visits to Florida health care facilities, including freestanding ambulatory surgery centers, short-term acute care hospitals, lithotripsy centers, and cardiac catheterization laboratories.<sup>15</sup> Ambulatory surgery data records include, but are not limited to, patient demographics, medical information, and charge data.<sup>16</sup>
- **The emergency department database** collects reports of all patients who visited an emergency department, but were not admitted for inpatient care. Reports are electronically submitted to the AHCA and include the hour of arrival, the patient's chief complaint, principal diagnosis, race, ethnicity, and external causes of injury.<sup>17</sup>

In addition to these databases, the Office of Risk Management and Patient Safety collects adverse incident reports from health care providers including, hospitals, ambulatory surgical centers, nursing homes, and assisted living facilities.<sup>18</sup>

## Reporting

The Florida Center is required to publish and make available the following reports:

- Member satisfaction surveys;
- Publications providing health statics on topical health policy issues;
- Publications that provide health status profiles of people in Florida;
- Various topical health statics publications;
- Results of special health surveys, health care research, and health care evaluations required under s. 408.05, F.S.; and

<sup>11</sup> S. 408.05(2), F.S.

<sup>12</sup> Florida Center for Health Information and Policy Analysis, 2011 Annual Report, p. 2, found at: [http://edocs.dlis.state.fl.us/fldocs/ahca/schs/schs\\_ar2011.pdf](http://edocs.dlis.state.fl.us/fldocs/ahca/schs/schs_ar2011.pdf), last visited on Mar. 5, 2013.

<sup>13</sup> *Id.*, p. 3.

<sup>14</sup> *Id.*, p. 4.

<sup>15</sup> *Id.*, p. 3.

<sup>16</sup> *Id.*, p. 4.

<sup>17</sup> *Id.*, p. 5.

<sup>18</sup> *Id.*

- An annual report on the Florida Center's activities.<sup>19</sup>

The Florida Center must also provide indexing, abstracting, translation, publication and other services leading to a more effective and timely dissemination of health care statistics. The Florida Center is responsible for conducting a variety of special studies and surveys to expand the health care information and statistics available for policy analyses.<sup>20</sup>

### Public Access to Data

The Office of Data Dissemination and Communication, within the Florida Center, makes data collected available to the public in three ways: by updating and maintaining the AHCA's health information website at [www.FloridaHealthFinder.gov](http://www.FloridaHealthFinder.gov), by issuing standard and ad hoc reports, and by responding to requests for de-identified data.<sup>21</sup>

The Florida Center maintains [www.FloridaHealthFinder.gov](http://www.FloridaHealthFinder.gov), which was established to assist consumers in making informed health care decisions and lead to improvements in quality of care in Florida. The website provides a wide array of search and comparative tools to the public which allow easy access to information on hospitals, ambulatory surgery centers, emergency departments, hospice providers, physician volume, health plans, nursing homes, and prices for prescription drugs in Florida. The website also provides tools to researchers and professionals which allow specialized data queries, but requires users to have some knowledge of medical coding and terminology.<sup>22</sup> Some of the features and data available on the website include a multimedia encyclopedia and symptoms navigator, hospital and ambulatory surgery centers performance data, data on mortality, complication, and infection rates for hospitals, and a facility/provider locator.<sup>23</sup>

The Center disseminates three standard reports which detail hospital fiscal data including a prior year report, an audited financial statement, and a hospital financial data report. Also, ad hoc reports may be requested for customers looking for very specific information not included on a standard report or for customers who do not wish to purchase an entire data set to obtain information. One example of an ad hoc report would be a request for the average length of stay of patients admitted to a hospital with diabetes as a principle or secondary diagnosis.<sup>24</sup> The Center charges a set fee for standard reports<sup>25</sup> and a variable fee based on the extensiveness of an ad hoc report.<sup>26</sup>

The Center also sells hospital inpatient, ambulatory surgery, and emergency department data to the general public in a non-confidential format. However, the requester must sign a limited set data use agreement which binds the requester to only using the data in a way specified in the agreement. Information not available in these limited data sets include: patient ID number, medical record number, social security number, dates of admission and discharge, visit beginning and end dates, age in days, payer, date of birth, and procedure dates.<sup>27</sup>

The Florida Center is required to provide technical assistance to persons or organizations engaged in health planning activities in the effective use of statistics collected and compiled by the Florida Center.<sup>28</sup>

### State Center Administration

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<sup>19</sup> S. 408.05(5), F.S.

<sup>20</sup> *Id.*

<sup>21</sup> Florida Center for Health Information and Policy Analysis, 2011 Annual Report, p. 6-9, found at: [http://edocs.dlis.state.fl.us/fldocs/ahca/schs/schs\\_ar2011.pdf](http://edocs.dlis.state.fl.us/fldocs/ahca/schs/schs_ar2011.pdf), last visited on Mar. 5, 2013.

<sup>22</sup> *Id.*, p. 9.

<sup>23</sup> *Id.*, p. 9-13.

<sup>24</sup> *Id.*, p.8-9.

<sup>25</sup> The price list for purchasing data from the Center is available at:

<http://floridahealthfinderstore.blob.core.windows.net/documents/researchers/OrderData/documents/PriceList%20Jan%202011.pdf>, last visited on April 4, 2013.

<sup>26</sup> Florida Center for Health Information and Policy Analysis, 2011 Annual Report, p. 7, found at:

[http://edocs.dlis.state.fl.us/fldocs/ahca/schs/schs\\_ar2011.pdf](http://edocs.dlis.state.fl.us/fldocs/ahca/schs/schs_ar2011.pdf), last visited on Mar. 5, 2013.

<sup>27</sup> *Id.*, pp. 7-8.

<sup>28</sup> S. 408.05(4), F.S.

AHCA is required to complete a number of responsibilities related to the information system, in order to produce comparable and uniform health information and statistics for the development of policy recommendations.<sup>29</sup> These responsibilities are listed in statute and include the following:

- Undertake research, development, and evaluation regarding the information system for the purpose of creating comparable health information.
- Coordinate the activities of state agencies involved in the design and implementation of the information system and review the statistical activities of state agencies to ensure that they are consistent with the information system.
- Develop written agreements with local, state, and federal agencies to share health-care-related data.
- Establish by rule the types of data collected, compiled, processed, used, or shared.
- Establish minimum health-care-related data sets which are necessary on a continuing basis to fulfill the collection requirements of the center and which shall be used by state agencies in collecting and compiling health-care-related data.
- Establish advisory standards to ensure the quality of health statistical and epidemiological data collection, processing, and analysis by local, state, and private organizations.
- Prescribe standards for the publication of health-care-related data, which ensure the reporting of accurate, valid, reliable, complete, and comparable data.
- Prescribe standards for the maintenance and preservation of the Florida Center's data.
- Ensure that strict quality control measures are maintained for the dissemination of data through publications, studies, or user requests.
- Develop and implement a long-range plan for making available health care quality measures and financial data that will allow consumers to compare health care services.
- Administer, manage, and monitor grants to not-for-profit organizations, regional health information organizations, public health departments, or state agencies that submit proposals for planning, implementation, or training projects to advance the development of a health information network.
- Initiate, oversee, manage, and evaluate the integration of healthcare data from each state agency that collects, stores, and reports on health care issues and make the data available to any health care practitioner through a state health information network.<sup>30</sup>

### State Consumer Health Information and Policy Advisory Council

The State Consumer Health Information and Policy Advisory Council (Advisory Council) assists the Florida Center in reviewing the information system. This includes the identification, collection, standardization, sharing and coordination of health-related data, fraud and abuse data, and professional and facility licensing data to recommend improvements for purposes of public health, policy analysis and transparency of consumer health care information.<sup>31</sup> The Advisory Council assists the AHCA in determining the method and format for the public disclosure of data collected by the Florida Center and also works with the Florida Center in the development and implementation of a long-range plan for making available health care quality measures and financial data that will allow consumers to compare health care services.<sup>32</sup> The Advisory Council consists of thirteen members, who each serve for two year appointments. The Advisory Council meets at least quarterly and has the following responsibilities:

- Develop a mission statement, goals, and a plan of action for the identification, collection, standardization, sharing, and coordination of health-related data across federal, state, and local government and private sector entities;
- Develop a review process to ensure cooperative planning among agencies that collect or maintain health-related data; and

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<sup>29</sup> S. 408.05(3), F.S.

<sup>30</sup> S. 408.05(3), F.S., s. 408.05(4), F.S.

<sup>31</sup> S. 408.05(8), F.S.

<sup>32</sup> State Consumer Health Information and Policy Advisory Council, *Executive Summary*, found at:

<http://ahca.myflorida.com/SCHS/CommitteesCouncils/docs/AC-ExecutiveSummary0113.pdf>, last visited on April 4, 2013.

- Create ad hoc issue-oriented technical workgroups on an as-needed basis to make recommendations to the Advisory Council.<sup>33</sup>

## Effect of Proposed Changes

The bill replaces the Florida Center with the Florida Health Information Transparency Initiative (Transparency Initiative). The bill states that the Transparency Initiative's purpose is to coordinate a comprehensive health information system in order to promote accessibility, transparency, and utility of state-collected data and information about health providers, facilities, services, and payment sources.

The bill requires AHCA to make data available in a manner that allows for and encourages multiple and innovative uses of data sets collected under the state. Subject to the General Appropriations Act, the bill requires AHCA to contract with one or more vendors to develop new methods of dissemination and to convert the data into easily useable electronic formats.

The bill amends the information required to be contained in the information system. The bill requires the information system to include:

- Health resources regarding licensed health professionals, licensed health care facilities, managed care organizations, and other health services regulated or funded by the state. This is required instead of including health resources related to physicians, dentist, nurses and other health professionals in the information system.
- Information regarding the utilization of health resources. This is required instead of including the utilization of health care by type of provider in the information system.
- Medicaid claims and encounter data and data from other public and private payers in the health care costs and financing. This is required instead of including trends in health care prices and costs, sources of payment for health care services, and federal, state, and local expenditures for healthcare in the healthcare costs and financing in the information system.
- The extent, source and type of public and private health insurance coverage in Florida. This is required instead of including only the extent of public and private health insurance coverage in Florida in the information system.
- The data necessary to measure the value and quality of care provided by various health care providers, including applicable credentials, accreditation status, utilization, revenues and expenses, outcomes, site visits, and other regulatory reports, and the results of administrative and civil litigation. This is required instead of including data on the quality of care provided by various health care providers in the information system.

Under the bill, the information system would no longer be required to include data on:

- The extent and nature of illness and disability of the state population, including life expectancy, the incidence of various acute and chronic illnesses, and infant and maternal morbidity and mortality;
- The impact of illness and disability of the state population on the state economy and on other aspects of the well-being of the people in this state;
- Environmental, social, and other health hazards;
- Health knowledge and practices of the people in this state and determinants of health and nutritional practices and status; and
- Family formation, growth, and dissolution.

The bill also changes AHCA's functions related to the information system. The bill requires AHCA to:

- Collect and compile data from all state agencies and programs involved in providing, regulating, and paying for health services. This is required instead of the current requirement that AHCA coordinate the activities of state agencies involved in the design and implementation of the information system, review the statistical activities of state agencies to ensure that they are consistent with the information system.
- Promote data sharing through the dissemination of state-collected health data by making such data available, transferable, and readily useable. This is required instead of the current

<sup>33</sup> S. 408.05(8), F.S.

requirement that AHCA undertake research, development, and evaluation regarding the information system for the purpose of creating comparable health information.

- Enable and facilitate the sharing and use of all state-collected health data to the maximum extent possible. This is required instead of the current requirement that AHCA establish by rule the types of data collected, compiled, processed, used, or shared.
- Monitor data collection procedures, test data quality, and take corrective actions as necessary to ensure that data and information disseminated under the initiative are accurate, valid, reliable, and complete. This is required instead of the current requirement that AHCA prescribe standards for the publication of health-care-related data, which ensures the reporting of accurate, valid, reliable, complete, and comparable data.
- Initiate and maintain activities necessary to collect, edit, verify, archive, and retrieve data compiled. This is required instead of the current requirement that AHCA prescribe standards for the maintenance and preservation of the Florida Center's data.

The bill deletes a number of functions, which are currently required to be performed by AHCA in relation to the information system. The functions that are deleted by the bill require AHCA to:

- Review the statistical activities of state agencies to ensure that they are consistent with the information system
- Establish minimum health-care-related data sets which are necessary on a continuing basis to fulfill the collection requirements of the center and which shall be used by state agencies in collecting and compiling health-care-related data.
- Establish advisory standards to ensure the quality of health statistical and epidemiological data collection, processing, and analysis by local, state, and private organizations.
- Ensure that strict quality control measures are maintained for the dissemination of data through publications, studies, or user requests
- Develop and implement a long-range plan for making available health care quality measures and financial data that will allow consumers to compare health care services.
- Administer, manage, and monitor grants to not-for-profit organizations, regional health information organizations, public health departments, or state agencies that submit proposals for planning, implementation, or training projects to advance the development of a health information network.
- Initiate, oversee, manage, and evaluate the integration of healthcare data from each state agency that collects, stores, and reports on health care issues and make the data available to any health care practitioner through a state health information network.

The bill removes the requirement that the Florida Center provide technical assistance to persons or organizations engaged in health planning activities in the effective use of statistics collected and compiled by the Florida Center. The bill also removes the requirement that the written agreements (for the sharing of health-care-related data with local, state, and federal agencies) specify the types, methods, and periodicity of data exchanges and specify the types of data to be transferred.

The bill abolishes the Policy Advisory Council, which is tasked with making recommendations to The Florida Center. The bill deletes the requirements that the Florida Center publish and make available data which it collects and analyzes. This includes health statistic publications, health surveys, healthcare research, health care evaluations, and the Florida Center's annual report.

The bill directs the AHCA to implement the transparency initiative in a manner that recognizes state-collected data as an asset and rewards taxpayer investment in information collection and management. AHCA must ensure that a vendor who enters into a contract with the state does not inhibit or impede consumer access to state-collected health data and information.

The bill specifies that AHCA may accept payments and use such funds for undertaking special studies and projects. The bill removes the limitation on the use of such funds to offset annual appropriations from the General Revenue Fund.

To implement the bill, AHCA plans to use the state health data directory that is currently displayed on the Florida Health Finder website as a starting point for the development of a strategic plan for the

transparency initiative. AHCA anticipates convening a work group of representatives of departments that are currently linked to the health data directory to gain a perspective on the technical IT-related aspects of the existing databases and to create a plan for promoting and prioritizing connectivity. AHCA believes that system changes that will be needed to locate all Florida health related data in a single location will be reviewed, described and prioritized. Issues such as limitations on data sharing due to the presence of personal health information will also be explored and described by AHCA. Other states, researchers and private organizations will be consulted to gain up-to-date knowledge of the type of cloud-based information system anticipated by the bill.<sup>34</sup> The AHCA will implement the provisions of the bill by utilizing existing agency resources.

The bill removes references to language made obsolete by the bill in ss. 381.026, 395.301, 465.0244, 627.6499, and 641.54, F.S.

The bill provides an effective date of July 1, 2013.

#### B. SECTION DIRECTORY:

- Section 1:** Amends s. 408.05, F.S., relating to Florida Center for Health Information and Policy Analysis.
- Section 2:** Amends s. 381.026, F.S., relating to Florida Patient's Bill of Rights and Responsibility.
- Section 3:** Amends s. 395.301, F.S., relating to itemized patient bill.
- Section 4:** Amends s. 465.0244, F.S., relating to information disclosure.
- Section 5:** Amends s. 627.6499, F.S., relating to reporting by insurers and third-party administrators
- Section 6:** Amends s. 641.54, F.S., relating to information disclosure.
- Section 7:** Provides for an effective date of July 1, 2013.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The agency will implement the provisions of the bill using existing resources. Approximately \$2,000 would be saved annually in travel costs associated with the State Consumer Health Information and Policy Advisory Council.<sup>35</sup>

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

#### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

#### D. FISCAL COMMENTS:

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<sup>34</sup> Agency analysis of HB 7163, Agency for Health Care Administration, April 15, 2013.

<sup>35</sup> *Id.*



### III. COMMENTS

#### A. CONSTITUTIONAL ISSUES:

##### 1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

##### 2. Other:

None.

#### B. RULE-MAKING AUTHORITY:

The bill repeals law implemented under Rule 59E-8. It does not change the Agency's rule making authority.<sup>36</sup>

#### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

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<sup>36</sup> *Id.*