

SURPRISE BILLING DATASET DEVELOPMENT STATUS REPORT

August 21, 2019

OVERVIEW

1. Project Background and Description

During the 2019 session, the Washington State Legislature passed Second Substitute House Bill (2SHB) 1065 (Chapter 427, Laws of 2019)¹ to protect consumers from charges for out-of-network health care services, or surprise billing. The law requires the Office of the Insurance Commissioner to contract with the state agency responsible for the administration of the Washington all-payer claims database (WA-APCD) to develop a dataset and business process to assist in determining commercially reasonable payments and resolving payment disputes for out-of-network medical services. Currently, the Office of Financial Management (OFM) oversees the WA-APCD, which is run by Oregon Health & Science University (lead organization) and Onpoint Health Data (data vendor). The dataset and processes must be available beginning November 1, 2019.

OFM is working with OHSU and Onpoint to develop a Surprise Billing Dataset and business processes that meet the requirements in the law. To aid in the development of the specifications, OFM has convened a workgroup with stakeholders representing carriers, providers, hospitals, and ambulatory surgical centers.

2. High-Level Requirements

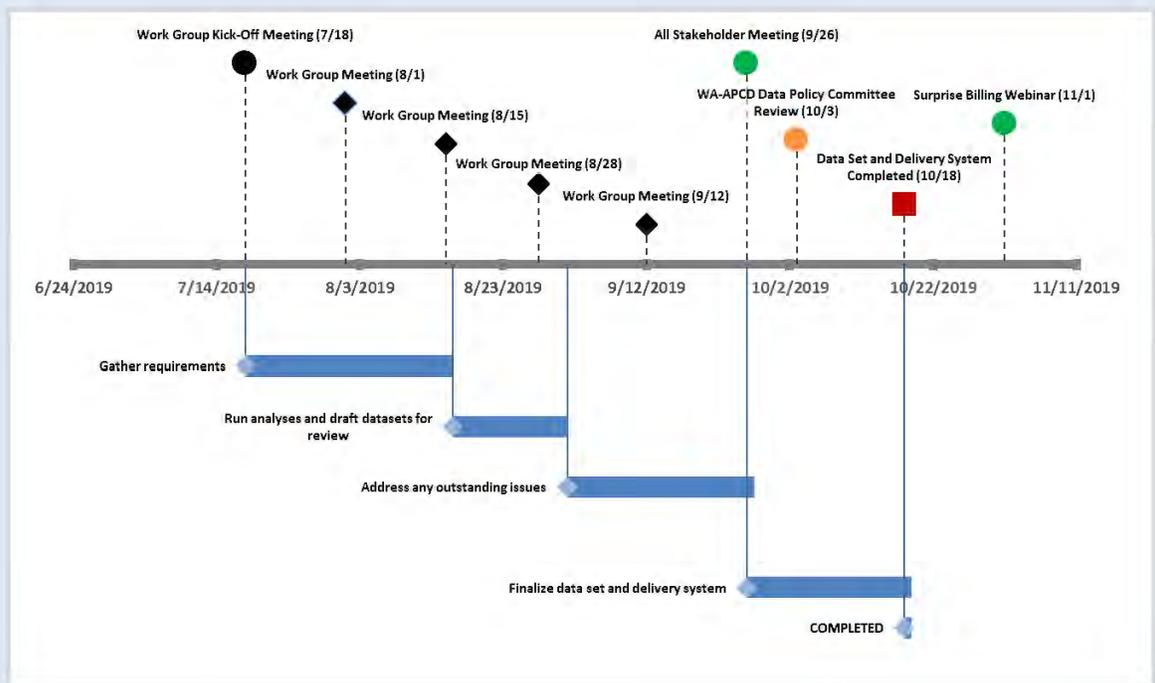
At a high-level, the dataset must meet the following requirements:

- *Be based on the most recently available full calendar year of claims data*
- *Include the median in-network and out-of-network allowed amounts and the median billed charge amounts by geographic area, for the same or similar health care services described below*
- *Use commercial health plan claims, excluding Medicare, Medicaid and claims paid on other than a fee-for-service basis*
- *Include the information described above for the following health care services:*
 - *Emergency services provided to an enrollee*
 - *Non-emergency health care services provided to an enrollee at an in-network hospital or an in-network ambulatory surgical facility if the services:*
 - *Involve surgical or ancillary (anesthesiology, radiology, and lab) services; and*
 - *Are provided by an out-of-network provider*

Each subsequent year, the dataset will be updated using the consumer price index-medical component.

¹ For more information see <http://lawfilesexternal.wa.gov/biennium/2019-20/Pdf/Bills/Session%20Laws/House/1065-S2.SL.pdf>.

3. Project Timeline



4. Progress to Date

The workgroup has had three meetings – 7/18, 8/1, and 8/15 – to determine specifications for the dataset and review preliminary results. Key items discussed have included:

- Determination of most recently available full calendar year of claims data – Dataset will include claims with dates of service in CY2018 and incurred payments through 3/31/2019.
- What geographic regions should be used? – The workgroup is reviewing data for three potential geographic breakouts: (1) Medicare geographic practice cost indices;² (2) OIC geographic rating areas;³ and (3) a hybrid of hospital referral regions and hospital services areas, which provides regions of more equivalent population size.
- Threshold for allowed amounts – Dataset will be calculated using claims with allowed amounts > \$0. Negative and \$0 claims will not be included in the median calculations.
- Calculation of median – The median will represent the allowed amount at the 50th percentile in the distribution of claims.
- Threshold number of claims for each median calculation – The workgroup is currently reviewing preliminary data to determine an appropriate threshold.

² <https://www.cms.gov/apps/physician-fee-schedule/overview.aspx>

³ <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/wa-gra.html>

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- *What methodology should be applied in cases where the workgroup deems there are an insufficient number of claims for a given service code in a region*

5. Request for Feedback

We are interested in your feedback on the following questions. Please provide your feedback via the survey located here:

<https://www.surveygizmo.com/s3/5168653/WA-APCD-Surprise-Billing-Feedback-2019>

- (1) *What information about the dataset development would be most helpful to you and your organization?*
- (2) *What delivery system should be used for providers, facilities, carriers and arbitrators to access the database?*
- (3) *What training materials on the use of the dataset would you like to have made available?*
- (4) *What is your biggest area of concern with regard to the dataset requirements?*

6. Stakeholder Meetings

- (1) **Overview of the Surprise Billing Dataset will be provided at an all stakeholder meeting on:**

*Thursday, September 26, 2019 from 9:00-11:00 am PT,
Helen Sommers Building (106 11th Ave. SW, Olympia, 98501), Room G015C*

Web conferencing option will also be available at:

Join Zoom Meeting: <https://zoom.us/j/2303203875>

Conference line: +1 669 900 6833

Meeting ID: 230 320 3875

- (2) **Training on the use of the Surprise Billing Dataset will be held on:**

*Friday, November 1, 2019 from 9:00-11:00 am PT,
Location: TBD, Olympia, WA*

Join Zoom Meeting: <https://zoom.us/j/2303203875>

Conference line: +1 669 900 6833

Meeting ID: 230 320 3875