Since 2007, when the Triple Aim was first introduced by the Institute for Healthcare Improvement (IHI), policy makers in North Carolina and around the United States have been working on health initiatives that emphasize the Triple Aim: improving experience of care, reducing cost of care, and improving population health. These are critical goals for North Carolina. Despite these efforts, in 2016 the state ranked 32nd in overall health—down one ranking from 2015.[1] This report examines the All-Payer Claims Database (APCD), a tool that can assist North Carolina in meeting the initiatives of the Triple Aim.

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An APCD is an extensive database that collects claims data from public (eg, Medicare, Medicaid, state health plans) and private health insurance payers.[2] Claims data have many potential uses because they provide broad information about individuals' interactions with the health system. A claim is "a request for payment that you or your health care provider submits to your health insurer when you get items or services you think are covered [by your health insurance policy]."[3] Every time an individual has contact with the health care system, claims data are generated; they can show when an insured individual went to a doctor, had an appointment with a specialist, and filled a prescription. Claims data include information on diagnoses, procedures that are performed, and payment for health care services.

State APCDs collect and compile claims data from health care plans within their state, often with goal of providing comprehensive state-level data on health care utilization and spending. Data from APCDs can be used to inform public health and public policy priorities; evaluate the outcomes of public health programs and policies; determine the actual cost of health care in a state[a]; provide consumer transparency; and analyze geographic variation in health, in addition to accomplishing other tasks.[4-8] Currently, 22 states are developing or have developed an APCD and are using the data to better understand health care.[9] Having a state-level APCD increases opportunities to improve quality, understand cost increases, and understand variation in care, all of which are important interests for state government, employers, insurers, providers, and the people of North Carolina.

Task Force Background

This Task Force builds upon work done by the North Carolina State University Institute for Emerging Issues (IEI) in June 2014 and December 2014 to explore the utility of an APCD for North Carolina. Those meetings included expert guests who spoke about the functionality, governance, and financing of APCDs in other states. Participants included payers Blue Cross and Blue Shield of North Carolina (BCBSNC), UnitedHealthcare, and accountable care organizations; providers included North Carolina Medical Society, North Carolina Hospital Association, and public and private health systems. Task Force leadership came from the North Carolina Department of Health and Human Services (DHHS), patient advocacy organizations, academics, Area Health Education Centers, and researchers. IEI convened an informal steering committee to discuss the possibility of an APCD in North Carolina, taking into account Medicaid reform, legislative interest, and the state political climate. This steering committee included representation from the North Carolina Department of Health and Human Services, Community Care of North Carolina, NCIOM, IEI, North Carolina Healthcare Information & Communications Alliance, Cornerstone Health Care, Ambrose Strategy, and the North Carolina Medical Society. After the conclusion of the 2015 legislative session, the steering committee agreed that the NCIOM should work with DHHS and seek funding to support a more extensive consideration of an APCD in North Carolina. After obtaining funding support from The Duke Endowment and AARP NC in 2016, the NCIOM convened the Task Force in August 2016.

This report discusses the findings of the NCIOM All-Payer Claims Database Task Force. The charge of the APCD task force was to study potential use cases of an APCD for North Carolina, examine alternatives to a state-based APCD, and evaluate options for implementing an APCD in North Carolina, including an assessment of legislative interest, governance, and finance. The Task Force also examined the 22 states with an active APCD or an APCD under development to inform the discussion and identify best practices for implementation. This Task Force report includes actionable recommendations to move towards the creation of an APCD.

a Claims data provide information on the charges submitted to the payer and the amount the payer paid for those services. The amount the payer paid for services may or may not reflect the actual cost to the institution providing care. Throughout this report "cost" is used to refer to the information captured in claims data.