

HB 1878 -- Health Care Quality and Cost-Efficiency

Sponsor: Funderburk

This bill establishes the criteria of health carrier programs that publicly assess and compare the quality and cost-efficiency of health care providers. The criteria include:

- (1) Retention, at the expense of the health carrier, of a nationally recognized independent health care quality standard-setting organization to review the plan's program;
- (2) Program measures to provide performance data that reflects consumers' health needs;
- (3) Performance reporting to include both quality and cost-efficiency information;
- (4) Disclosure of measure scoring and any formula used to develop composite scores;
- (5) Solicitation of consumers and providers for input about the program;
- (6) Establishment of a clearly defined process for receiving and resolving consumer complaints;
- (7) Presentation of performance information to consumers on how to consider other factors in choosing a provider;
- (8) Notification to providers before their individual performance information is publicly released;
- (9) Establishment of a process for providers to review their performance results and the opportunity to present information regarding any perceived inaccurate results;
- (10) Accessibility of and the ability of consumers and providers to understand information about the comparative performance data including certain cost factors;
- (11) Public disclosure of factors that might limit the usefulness of the results;
- (12) Publication and public availability of the measures used to assess a provider's performance and the methodology used to calculate scores and determine rankings;
- (13) Articulation of the rationale and methodologies supporting the unit of analysis reported;

(14) Aggregation of data, whenever feasible, by sponsors of provider measurement and reporting who are required to work collaboratively for measuring and reporting purposes;

(15) Regular evaluation of the program to assess its effectiveness, accuracy, reliability, validity, and any unintended consequences; and

(16) Endorsement of all quality measures by one of the specified credible organizations.

A person who sells or distributes public health care quality and cost-efficiency data for disclosure must identify the measure source or evidence-based science used to conform the validity of the data and its analysis. Certain specified articles or studies published in academic journals are exempt from the provisions of the bill. The Department of Health and Senior Services must investigate possible violations by these sellers or distributors. Upon finding that a violation has occurred, the department is authorized to impose a penalty in an amount of up to \$1,000.

The Department of Insurance, Financial Institutions and Professional Registration must investigate alleged violations made by health insurers if they do not comply with the laws regarding health care quality and cost-efficiency programs.