



Physicians Caring for Texans

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The Honorable Jane Nelson  
The Honorable Four Price  
Chair/Vice Chair, Sunset Commission  
Sunset Advisory Commission  
P.O. Box 13066  
Austin, Texas 78711

Dear Chairwoman Nelson and Vice Chairman Price:

On behalf of the Texas Medical Association (TMA) and its 47,000 physician and medical student members, I would like to thank you for the opportunity to submit this written testimony regarding the Sunset Committee's consideration of the Department of State Health Services' (DSHS) data collection duties under Chapter 108 of the Texas Health and Safety Code.

Texas physicians support effective, safe, and timely care, and patients' ability to make informed personal health care decisions. As an owner of an ambulatory surgery center (ASC) in Abilene, I have been required to report data to the Texas Health Care Information Collection (THCIC) for more than a decade. While I support data collection to improve patient safety and quality outcomes, the heavy-handed regulatory burden of reporting in Texas is not delivering such a result. State laws and regulations related to data collection should be designed to equip patients with relevant information to make informed choices when they need medical services from their physicians and health care facilities. However, neither I, as an owner in a facility required to report data to the THCIC, nor Texas physicians support agency activity that continues a data collection program, such as THCIC that:

- Collects billing information that is then sold to third parties for financial purposes;
- Neither ensures nor enhances patient safety or quality outcomes;
- Imposes expensive and time intensive reporting requirements with which providers must comply; and
- Requires submission of identifying information and sensitive health care information on all patients.

Unfortunately, parts of the state's THCIC data collection program fit those categories. More importantly, the THCIC has not met its legislative directive, which dates back to 1995:

*The THCIC was created by the 74th Texas Legislature in 1995. THCIC's primary purpose is to provide data that will enable Texas consumers and health plan purchasers to make informed health care decisions. THCIC's charge is to collect data and report on the quality performance of hospitals and health maintenance organizations operating in Texas. The goal is to provide information that will enable consumers to have an impact on the cost and quality of health care in Texas.*

While THCIC's original purpose may have been to provide helpful information to Texas consumers, it has not, to my knowledge, served that purpose in its 20 years of existence. In some cases, the program simply focuses on billing information, which does not lead to quality or safety data. To the extent THCIC

does possess useful information about safety and quality, it has failed to make such information available to patients. Instead, data collected by THCIC continues to be sold to third parties, such as large hospital systems and commercial health insurance plans, who then use it primarily for market strategy purposes. Many of these purchasers are out of state. (See the attached list of purchasers).

The ASC information collected by THCIC is identified by patient name, date of birth, address, and social security number. Sensitive medical information, such as all applicable ICD-9 diagnosis and exact procedures performed on the patients, is linked with this identifying information. I see no reason that the state should be collecting information this specific on virtually every individual in Texas who has been treated at an ASC. There has been little, if any, actionable feedback shared with my ASC to benchmark best practices, identify trends or identify quality-of-care improvement actions that could be undertaken based on the data submitted.

My physician colleagues who own hospitals are also frustrated by the lack of actionable feedback shared with the hospitals and physicians to benchmark best practices for safety and quality-of-care improvement. The DSHS Annual Survey of Hospitals (ASH) and Annual Statement of Community Benefits (ASCB) forms also demand data reporting requirements that burden physicians and health care providers and are of dubious and questionable benefit to the consumer/patients they serve. State laws (i.e., Texas Health and Safety Code, Chapters 104 and 311) require DSHS to collect aggregate financial, utilization, and other data from all licensed hospitals.

Providers incur significant expense in order to comply with the THCIC's reporting requirements. Texas patients and health care providers would benefit by lightening the heavy hand of regulatory compliance costs, particularly when such regulations do not facilitate improvement in patient care or education. We would encourage the Sunset Committee to eliminate data collection programs within DSHS, such as parts of THCIC, ASH and ASCB that do not accomplish the legislative objective to provide patients with information that will allow them to make informed health care decisions.

We also believe the state should revisit and inventory all its data collection programs to see where those programs duplicate the data collection efforts of other regulatory agencies. For example, the state's exhaustive billing-code data collection programs pull valuable hospital and ASC employee resources within those reporting facilities away from collecting useful data that actually provides valuable information about safety and quality, such as those implemented by the Centers for Medicare & Medicaid Services (CMS).

CMS has implemented an impressive patient satisfaction and clinical process-of-care (value-based purchasing) transparency program that actually provides useful information to patients. In addition, this transparency led to increased efforts by hospitals to enhance their patient satisfaction and clinical process-of-care standards. In many cases, the state is unable to duplicate CMS's already extensive quality and efficiency data releases. CMS is expanding this program to include ASCs and will soon do the same for physicians. Texas should not require duplicate data in alternate reporting formats already collected and published by the CMS and readily available on its website at <http://www.medicare.gov/hospitalcompare/>.

Earlier this year, the Texas Department of Insurance (TDI) announced its partnership with the University of Texas School of Public Health. Data analysis experts with the School of Public Health will bring their expertise to the project to eliminate erroneous elements from the data and present the aggregate data in a fashion that will most aid consumers. The school will also work with TDI in the redesign of its Health Insurance Rates Reimbursement Consumer Information Guide website to make it more "user friendly" for consumers who want to know the average costs of various procedures and hospital admissions. The academicians with the School of Public Health are well acquainted with such projects, as they are also engaged in similar data projects with major private insurance companies in the state.

TDI has collected and compiled aggregated claims data submitted by the health plans for many common professional and hospital-based medical procedures. This data, required by SB 1731(R-80th), is formatted to allow consumers to compare both in-network and out-of-network amounts for inpatient and outpatient services. The information on TDI's website (<https://wwwapps.tdi.state.tx.us/inter/asproot/life/reimbursement/index.asp>) allows consumers to see and compare the average rates in different regions of the state.

This website states that a consumer could use this guide to:

- Estimate costs before you have a procedure.
- Understand cost variations across regions.
- Help you make informed decisions when you are able to plan for medical services.

As you can see, these CMS and TDI programs are of more practical use to the consumers of Texas in determining quality, outcomes, and costs than the THCIC data.

The TDI effort is complementary to the free market efforts already underway. On May 14, 2014, the Health Care Cost Institute (HCCI) announced that it will work with three of the nation's largest health insurance companies, Aetna, Humana and United, to develop and provide free consumer access to an online tool that will be designed to offer accurate and timely information about the price and quality of health care services. The database will be created by HCCI, a not-for-profit group established in 2011, from information provided by the insurers. HCCI expects it to be available in 2015 and that more health plans will join the initiative prior to its launch. (See attached HCCI Question and Answer Attachment)

The information about this private market endeavor by HCCI can be found at:

<http://www.healthcostinstitute.org/>

In closing, I urge you to sunset costly and burdensome data reporting programs, such as the THCIC, that have so far proven to be of little benefit to enhance quality, safety, transparency, and patient value. They have only succeeded in being a regulatory burden for health care providers and have done little to empower consumers to make informed health care decisions. I would also encourage you to require removal of all identifying elements in the current health care information stored by THCIC.

Sincerely yours,



Austin King, M.D.  
President, Texas Medical Association

Cc:

Senate Sunset Members

The Honorable Brian Birdwell

The Honorable Juan "Chuy" Hinojosa

The Honorable Dan Patrick

The Honorable Charles Schwertner

Dawn Buckingham, M.D., Public Member

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The Honorable Larry Gonzales

The Honorable Richard Peña Raymond

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