

Health Law Bulletin

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True Reform Impossible Without Good Data



Since the state announced the Arkansas Health Payment Improvement Initiative, it has become increasingly clear that one key element is missing— good data. One of the essential elements to determining what is driving the Medicaid budget and where the opportunities for payment reforms exists is the availability of data. For many people, their knowledge of the Medicaid program is based on anecdotes or personal experience rather than on any hard data.

The Medicaid paid-claims data base includes a veritable treasure trove of data that can be used in analyzing past payment policies and projecting the effect of potential policy changes. Arkansas Medicaid recognized the importance of this data from the beginning of the Medicaid Transformation effort. Medicaid posted numerous data sets on the internet that providers, policy makers, and others could use in developing and evaluating reform proposals.

However, these data sets have limited usefulness. Much of the analysis in the featured article (“*Where’s the Money?*”) was made possible because of data that was not originally posted by Medicaid but was provided in response to requests from the authors over a period of time.

In order for data to be useful, it must be available on a timely basis and must be presented consistently from one data set to another. This has proved to be a major difficulty in analyzing the Medicaid data. Different sources contain different numbers for the same time period. Different sources categorize expenditures differently. Performing any kind of comparative analysis over time is virtually impossible with such data sources.

This is not a criticism of the Medicaid program. Some presentations include a caveat that certain expenditures are not provided. In some cases, the time when the data was produced makes a difference, and in some cases, differences are due to data being run from different systems in DHS. In some cases, Medicaid officials have reconciled the numbers in response to requests (sometimes repeated requests). The staff have been diligent in their efforts to get the data out despite demands on their time from both inside and outside the Department. However, analysis of the data presented is hampered when spending or beneficiary data are inconsistent from one source to another or grouped differently from one source to another.

Another concern is the ability of individuals outside the Medicaid program to get access to the data, beyond what is posted on the internet or contained in Medicaid publications. The Department is struggling with how to share beneficiary data without violating HIPAA, and so far

the process has proved cumbersome. To truly transform Medicaid, the Department will have to think of providers as true partners in this effort and enter into appropriate data sharing agreements

The Department of Human Services has acknowledged that its staff does not have all of the answers as to the best options for reforming the Medicaid payment system. The Department has created workgroups where providers and other stakeholders will presumably present and analyze ideas in addition to those considered by Medicaid officials. But, in the end, if this reform effort is truly going to be data-driven, there must be some mechanism for providers, advocates, and other stakeholders to gain timely access to the data that Medicaid produces and uses.