LEGISLATURE OF NEBRASKA

ONE HUNDRED THIRD LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 76

Introduced by Nordquist, 7; Campbell, 25.

Read first time January 10, 2013

Committee: Health and Human Services

A BILL

- 1 FOR AN ACT relating to health care; to adopt the Health Care
- 2 Transparency Act; to create an advisory committee; and to
- declare an emergency.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 4 of this act shall be known and

- 2 may be cited as the Health Care Transparency Act.
- 3 Sec. 2. The Director of Insurance shall appoint the
- 4 Health Care Data Base Advisory Committee to make recommendations
- 5 regarding the creation and implementation of the Nebraska Health Care
- 6 Data Base which shall provide a tool for objective analysis of health
- 7 care costs and quality, promote transparency for health care
- 8 consumers, and facilitate the reporting of health care and health
- 9 quality data. The Nebraska Health Care Data Base shall be used to:
- 10 (1) Provide information to consumers and purchasers of
- 11 health care;
- 12 (2) Determine the capacity and distribution of existing
- 13 <u>health care resources;</u>
- 14 (3) Identify health care needs and inform health care
- 15 policy;
- 16 (4) Evaluate the effectiveness of intervention programs
- on improving patient outcomes;
- 18 (5) Review costs among various treatment settings,
- 19 providers, and approaches; and
- 20 (6) Improve the quality and affordability of patient
- 21 <u>health care and health care coverage.</u>
- 22 Sec. 3. (1) The Health Care Data Base Advisory Committee
- 23 shall be appointed within forty-five business days after the
- 24 <u>effective date of this act.</u>
- 25 (2) The advisory committee members appointed by the

1	Director	of	Insurance	shall	include,	but	not	be	limited	to:
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- 2 (a) A member of academia with experience in health care
- 3 data and cost efficiency research;
- 4 (b) At least one representative of hospitals;
- 5 (c) At least one representative of physicians:
- 6 (d) At least one other representative of health care
- 7 providers;
- 8 (e) A representative of small employers that purchase
- 9 group health insurance for employees, which representative is not an
- 10 <u>insurer or insurance producer;</u>
- 11 (f) A representative of large employers that purchase
- 12 <u>health insurance for employees, which representative is not an</u>
- insurer or insurance producer;
- 14 (g) At least one health care consumer advocate,
- 15 <u>knowledgeable about private market insurance</u>, public health insurance
- 16 programs, enrollment and access, or related areas and has background
- or experience in consumer health care advocacy;
- 18 (h) At least one representative of health insurers;
- 19 (i) A representative of organizations that facilitate
- 20 <u>health information exchange to improve health care for all</u>
- 21 Nebraskans; and
- 22 (j) At least one representative of local public health
- departments.
- 24 (3) The following shall serve as ex officio members of
- 25 <u>the advisory committee:</u>

1 (a) The Director of Insurance or his or her designee;

- 2 (b) The Director of Medicaid and Long-Term Care of the
- 3 <u>Division of Medicaid and Long-Term Care of the Department of Health</u>
- 4 and Human Services or his or her designee; and
- 5 (c) The Director of Public Health of the Division of
- 6 Public Health of the Department of Health and Human Services or his
- 7 <u>or her designee</u>.
- 8 (4) The members of the advisory committee appointed
- 9 pursuant to subsection (2) of this section shall serve without
- 10 compensation and shall not be reimbursed for expenses incurred in the
- 11 performance of their duties on the committee.
- 12 Sec. 4. (1) The Health Care Data Base Advisory Committee
- 13 shall make recommendations to the Director of Insurance regarding the
- 14 <u>Nebraska Health Care Data Base that:</u>
- 15 <u>(a) Include specific strategies to measure and collect</u>
- 16 data related to health care safety and quality, utilization, health
- 17 <u>outcomes</u>, and cost;
- 18 (b) Focus on data elements that foster quality
- improvement and peer group comparisons;
- 20 (c) Facilitate value-based, cost-effective purchasing of
- 21 health care services by public and private purchasers and consumers;
- 22 (d) Result in usable and comparable information that
- 23 allows public and private health care purchasers, consumers, and data
- 24 analysts to identify and compare health plans, health insurers,
- 25 health care facilities, and health care providers regarding the

1 provision of safe, cost-effective, high-quality health care services;

- 2 (e) Use and build upon existing data collection
- 3 standards, reporting requirements, and methods to establish and
- 4 maintain the data base in a cost-effective and efficient manner;
- 5 (f) Incorporate and utilize claims, eligibility, and
- 6 other publicly available data to the extent it is the most cost-
- 7 effective method of collecting data to minimize the cost and
- 8 <u>administrative burden on data sources;</u>
- 9 (g) Include discussions regarding the standardization of
- 10 the Nebraska Health Care Data Base with other states and regions and
- 11 federal efforts concerning all-payer claims data bases;
- 12 (h) Include discussions regarding the integration of data
- 13 collection requirements of the health insurance exchange as required
- 14 by the federal Patient Protection and Affordable Care Act, Public Law
- 15 111-148, as amended by the federal Health Care and Education and
- 16 Reconciliation Act of 2010, Public Law 111-152, and any amendments
- 17 thereto or regulations or guidance issued under those acts;
- 18 (i) Include discussions regarding a limit on the number
- 19 of times the Nebraska Health Care Data Base may require submission of
- 20 the required data elements;
- 21 (j) Include discussions regarding a limit on the number
- 22 of times the data base may change the required data elements for
- 23 <u>submission in a calendar year considering administrative costs,</u>
- 24 resources, and time required to fulfill the requests;
- 25 (k) Include discussions regarding compliance with the

1 federal Health Insurance Portability and Accountability Act of 1996,

- 2 Public Law 104-191, as amended, and other proprietary information
- 3 related to collection and release of data;
- 4 (1) Discuss issues surrounding the availability of the
- 5 <u>data for research and other purposes; and</u>
- 6 (m) Include whether the advisory committee should
- 7 continue to exist and provide recommendations to the Department of
- 8 Insurance regarding the Nebraska Health Care Data Base after the
- 9 report required in subsection (2) of this section is completed.
- 10 (2) On or before December 1, 2013, the Director of
- 11 <u>Insurance shall report to the Governor and the Legislature the</u>
- 12 <u>recommendations of the advisory committee.</u>
- Sec. 5. Since an emergency exists, this act takes effect
- 14 when passed and approved according to law.