ALL-PAYER CLAIMS DATABASE (APCD)

What is an APCD?

An APCD is a data aggregation tool that provides a wholistic picture into where and how health care dollars are spent. APCDs collect transactional data—including services rendered, as well as the amount paid—from public (Medicare and Medicaid) and private health insurers (commercial plans and some self-insured employers). APCDs convert disparate data from each of these sources and across the continuum of care into one comprehensive, standardized data set.
FAQs on APCDs.

Who benefits?

Kentuckians

Insights from an APCD will enable research and data-driven policies that can lead to higher quality of care for Kentuckians. The cost-transparency element of an APCD will cut down on unnecessary expenses for care that increase out-of-pocket costs for consumers.

Hospitals and Providers

An APCD can help providers and hospitals better understand patient populations, identify trends, and make more informed decisions about care delivery. By providing comprehensive data on health care utilization and costs, an APCD can help health systems operate more efficiently, provide higher-quality care, and ultimately improve the health and well-being of their patients and communities.

Employers

An APCD would allow employers to see the full impact of various health insurance plans- from costs to quality of care. This would assist with benefit design and planning, allowing employers to improve health outcomes while more effectively managing their healthcare expenses. It would also aid in implementing and complying with new federal fiduciary and transparency rules that require employers to pay a "fair price" for health benefits.

Policymakers

An APCD would give state and local policymakers the full picture of the complex landscape of health care spending. By showing where the costs are coming from and where the burden is falling – an APCD can inform research and policies that save money, increase access to care, and improve health outcomes.

How APCDs guided health policy in other states

ARKANSAS
The Arkansas APCD was used to estimate the cost of smoking to Medicaid.
Read more.

INDIANA
The Indiana APCD was recently created. Its purpose includes identifying healthcare needs and informing policy.
Read more.

VIRGINIA
The Virginia APCD identified a growing drug problem in one county.
Read more.

UTAH
The Utah APCD was used to examine the potential overuse of non-evidence-based health care practices.
Read more.

The Elements of Good APCD Legislation

Purpose
- Understand health care costs and utilization trends among treatment settings, providers, and modalities
- Inform state health care planning and targeted population health initiatives
- Support research in the areas of health care cost, quality, and accessibility
- Evaluate the effectiveness of health care programs and services to improve patient outcomes
- Improve the accessibility, adequacy, and affordability of health care through the review and dissemination of data

Scope
- Require all state-regulated payers to participate with an opt-in for self-insured and ERISA-governed plans
- Define the information that will be collected, identify permitted uses and general reporting requirements

Governing Body & Oversight
- Designate a qualified party to implement, operate, and maintain the APCD
- Establish rule-making authority associated with the development of the APCD
- Create an APCD Advisory Council consisting of stakeholders, including consumers, hospitals, insurers, researchers, etc.
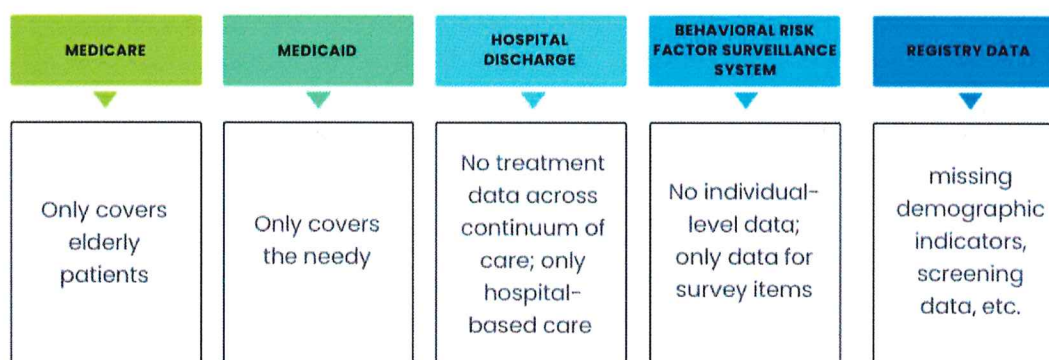- Establish a uniform file format and data use agreements

Privacy & Confidentiality
- Comply with Health Information Portability and Accountability Act (HIPAA) and HITECH act, National Institute of Standards and Technology (NIST), and other federal and state regulations

Funding
- Create a sustainable funding model based primarily on federal funding, grants, donations, and user fees

What are the gaps in our current health care data?

MEDICARE	MEDICAID	HOSPITAL DISCHARGE	BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM	REGISTRY DATA
Only covers elderly patients	Only covers the needy	No treatment data across continuum of care; only hospital-based care	No individual-level data; only data for survey items	missing demographic indicators, screening data, etc.

How an APCD would fill these gaps:

- Covers data from public (Medicare and Medicaid) and private health insurers (commercial plans and some self-insured employers) and is linkable across systems
- Includes data on the full continuum of care from preventive care to treatment for medical concerns, rehabilitation, and maintenance
- Includes individual, county, and state level data
- Includes demographics such as race, geography, and socioeconomic status