

LEGISLATIVE BILL 76

Approved by the Governor February 13, 2014

Introduced by Nordquist, 7; Campbell, 25.

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

Section 1. Sections 1 to 4 of this act shall be known and may be cited as the Health Care Transparency Act.

Sec. 2. The Director of Insurance shall appoint the Health Care Data Base Advisory Committee to make recommendations regarding the creation and implementation of the Nebraska Health Care Data Base which shall provide a tool for objective analysis of health care costs and quality, promote transparency for health care consumers, and facilitate the reporting of health care and health quality data. The Nebraska Health Care Data Base shall be used to:

- (1) Provide information to consumers and purchasers of health care;
- (2) Determine the capacity and distribution of existing health care resources;
- (3) Identify health care needs and inform health care policy;
- (4) Evaluate the effectiveness of intervention programs on improving patient outcomes;
- (5) Review costs among various treatment settings, providers, and approaches; and
- (6) Improve the quality and affordability of patient health care and health care coverage.

Sec. 3. (1) The Health Care Data Base Advisory Committee shall be appointed within forty-five business days after the effective date of this act.

(2) The advisory committee members appointed by the Director of Insurance shall include, but not be limited to:

- (a) A member of academia with experience in health care data and cost efficiency research;
- (b) At least one representative of hospitals;
- (c) At least one representative of physicians;
- (d) At least one other representative of health care providers;
- (e) A representative of small employers that purchase group health insurance for employees, which representative is not an insurer or insurance producer;
- (f) A representative of large employers that purchase health insurance for employees, which representative is not an insurer or insurance producer;
- (g) At least one health care consumer advocate, knowledgeable about private market insurance, public health insurance programs, enrollment and access, or related areas and has background or experience in consumer health care advocacy;
- (h) At least one representative of health insurers;
- (i) A representative of organizations that facilitate health information exchange to improve health care for all Nebraskans; and
- (j) At least one representative of local public health departments.

(3) The following shall serve as ex officio members of the advisory committee:

- (a) The Director of Insurance or his or her designee;
- (b) The Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care of the Department of Health and Human Services or his or her designee; and
- (c) The Director of Public Health of the Division of Public Health of the Department of Health and Human Services or his or her designee.

(4) The members of the advisory committee appointed pursuant to subsection (2) of this section shall serve without compensation and shall not be reimbursed for expenses incurred in the performance of their duties on the committee.

Sec. 4. (1) The Health Care Data Base Advisory Committee shall make recommendations to the Director of Insurance regarding the Nebraska Health Care Data Base that:

- (a) Include specific strategies to measure and collect data related to health care safety and quality, utilization, health outcomes, and cost;
- (b) Focus on data elements that foster quality improvement and peer group comparisons;

(c) Facilitate value-based, cost-effective purchasing of health care services by public and private purchasers and consumers;

(d) Result in usable and comparable information that allows public and private health care purchasers, consumers, and data analysts to identify and compare health plans, health insurers, health care facilities, and health care providers regarding the provision of safe, cost-effective, high-quality health care services;

(e) Use and build upon existing data collection standards, reporting requirements, and methods to establish and maintain the data base in a cost-effective and efficient manner;

(f) Incorporate and utilize claims, eligibility, and other publicly available data to the extent it is the most cost-effective method of collecting data to minimize the cost and administrative burden on data sources;

(g) Include discussions regarding the standardization of the Nebraska Health Care Data Base with other states and regions and federal efforts concerning all-payer claims data bases;

(h) Include discussions regarding the integration of data collection requirements of the health insurance exchange as required by the federal Patient Protection and Affordable Care Act, Public Law 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Public Law 111-152, and any amendments thereto or regulations or guidance issued under those acts;

(i) Include discussions regarding a limit on the number of times the Nebraska Health Care Data Base may require submission of the required data elements;

(j) Include discussions regarding a limit on the number of times the data base may change the required data elements for submission in a calendar year considering administrative costs, resources, and time required to fulfill the requests;

(k) Include discussions regarding compliance with the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as amended, and other proprietary information related to collection and release of data;

(l) Discuss issues surrounding the availability of the data for research and other purposes; and

(m) Include whether the advisory committee should continue to exist and provide recommendations to the Department of Insurance regarding the Nebraska Health Care Data Base after the report required in subsection (2) of this section is completed.

(2) On or before December 15, 2014, the Director of Insurance shall report to the Governor and the Legislature the recommendations of the advisory committee.

Sec. 5. Since an emergency exists, this act takes effect when passed and approved according to law.