



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
PUBLIC HEALTH COMMITTEE
Wednesday, March 7, 2012**

**HB 5038, An Act Implementing The Governor's Budget Recommendations
Concerning An All-Payer Claims Database Program**

The Connecticut Hospital Association (CHA) appreciates the opportunity to submit testimony concerning **HB 5038, An Act Implementing The Governor's Budget Recommendations Concerning An All-Payer Claims Database Program**. CHA supports the bill.

HB 5038 would establish a program to incorporate an all-payer claims database (APCD) as part of routine health data collection and reporting in Connecticut. CHA applauds this effort as a needed step in modernizing how healthcare resources are deployed in Connecticut.

Affordable healthcare and access to all levels of the care continuum, including for our most vulnerable populations, rests on our collective ability to bend the cost curve. The options left if we are not able to make adjustments are unacceptable. An APCD, if used effectively, can hold the key to bending the cost curve.

The concept is simple: gather all of the payment data available relating to healthcare in Connecticut to find out if healthcare resources are being effectively and fairly deployed. Developing this program is unquestionably a huge step forward in Connecticut's ability to address cost effectiveness in the healthcare delivery system. Unfortunately, implementation of a program of this scale is not simple. Other states, including Massachusetts, have struggled with the enormous and often overwhelming costs associated with hiring consultants and employees with the necessary expertise to analyze APCD information. Connecticut must learn from the experiences of other states, and create a more workable and useful APCD program that can provide valuable feedback to adjust healthcare resources without relying solely on state agency efforts and resources.

To accomplish this, analysis of the data needs to occur as soon as reasonably possible, and must allow for immediate public and private expertise to be brought to bear, while simultaneously ensuring that the data involved are protected through privacy and security measures.

The bill as drafted allows various stakeholders access to collected claims data, which will be necessary to achieve success. But much work will still need to be done to ensure that those stakeholders are able to use all available resources at their command to ensure that the APCD program improves care and cuts costs. CHA and its member hospitals possess considerable expertise in many key areas of healthcare data analysis that would be helpful to the program. We stand ready to help ensure that the program is successful.

CHA looks forward to working with the Office of Health Reform and Innovation, the special advisor to the Governor on healthcare reform, and the claims database administrator, once he or she is appointed, on this critical initiative.

Thank you for your support of HB 5038.

For additional information, contact CHA Government Relations at (203) 294-7310.