



Summary: New One-Time Federal Grant Opportunity for State All-Payer Claims Databases (APCDs)

02.22.2021

Overview

Section 320B of the *Consolidated Appropriations Act, 2021* (HR 133) established one-time federal grants in the aggregate of \$125 million available over a three-year award period to support state APCDs. The grants can be used to 1) establish a new APCD or 2) improve an existing APCD. Grantees will be expected to meet certain requirements for protecting data and giving preferential access to “authorized users” and employers (described in more detail below). Selected states are to receive \$1 million in each of first two years, \$500,000 in year three.

Requirements

A State must submit an application and describe how it will ensure “uniform data collection and privacy and security of data.” The Secretary may prioritize applications from state APCDs that adopt a simplified application process for certain users who seek data from multiple state APCDs, and a new standardized data reporting format for ERISA plans. The reporting format will be defined in consultation with an advisory committee.

Authorized users (AU)

- 1) Entity desiring access to APCD shall submit an application to a state APCD to include:
 - a. Description of uses and methodologies for evaluation health system performance using such data;
 - b. Documentation of approval of research by institutional review board (IRB), if applicable
 - c. In case of an entity such as employer, issuer, TPA, or provider, requesting access for purpose of QI, cost containment, a description of “intended uses” for data
- 2) Requirements
 - a. After application is approved, AU shall enter into data use and confidentiality agreement with APCD that has received grant under this section, to include prohibition on attempts to re-identify and disclose individually identifiable health information (IIHI) and “proprietary financial information”
 - b. Customized reports—employers may request from APCD “at cost”, subject to privacy, security, protection of “proprietary financial information”
 - c. Non-customized reports—a state APCD that has received a grant shall make available to all AUs aggregate data sets available through APCD, free of charge
 - d. Secretary may waive access requirements



Other requirements, priorities, definitions

- 3) Expanded Access
 - a. Multi-state applications—the Secretary may prioritize applications submitted by states whose application demonstrates state will work with other State APCDs to establish a single application for access to data by AUs across multiple states
 - b. Expansion of data sets—the Secretary may prioritize applications by states that will implement reporting format for self-insured group health plans described in Section 735 of ERISA (see below)
- 4) Definitions
 - a. Individually identifiable health information (IIHI)—same meaning in section 1171(6) of SSA
 - b. Proprietary financial information means data that would disclose the terms of a specific contract between an individual health care provider or facility and specific group health plan, MCO/HMO, or other MCO or issuer offering group or individual coverage
 - c. APCD—database that may include medical claims, pharmacy claims, dental claims, and eligibility and provider files, which are collected from private and public payers
- 5) Authorization of Appropriation: \$50 million for each of FY 2022 and FY 2023, and \$25 million for FY 2024

ERISA Amendment

Section 735 of the Act amends ERISA to create standardized reporting format:

- a. Not later than one year after enactment, the Secretary of Labor shall establish a standardized reporting format for reporting by self-insured group health plans to State APCDs, of medical claims, pharmacy, dental, and eligibility and provider files that are collected from public and private payers, and shall provide guidance to States on the process by which States may collect such data from such plans or coverage in the standardized reporting format.
- b. Consultation
 - a. Advisory committee to be named within 90 days of enactment, with 15 members to advise on data format, etc.
 - b. Membership—Secretary of Labor, who consults with HHS. Comptroller General shall appoint individuals who “have distinguished” themselves in fields of HSR, HE, HI, data privacy & security, or governance of APCDs, or who represent organizations likely to submit data (employers, patients, employee org’ns), providers, plans, TPA, etc.
 - c. Ass’t Sec’ys of Labor, HHC, plus CMS, AHRQ, OCR, NCHS, NCHIT, State APCD rep, 1 academic researcher, 1 consumer advocate, 2 additional members
 - d. Within 180 days, group reports to Secretary, HELP, E&C, and Ed & Labor Committees on format and guidance for standardized data reporting
 - e. \$5 Million appropriation in FY 21