Introduction to the

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Motivation

• US Health Care Costs are high and rising rapidly.
  – $2.6 trillion in 2010
  – Predicted to rise to $4.6 billion by 2020*.
    • Almost double current levels.
    • 17.9% of GDP 2010; 19.8% 2020.
  – This is a big problem for the US.

• Information about costs and their drivers are key.
  – At present we have very incomplete information on the privately insured (about 2/3rds of those with coverage).
  – Limits research; hinders policy and business.

HCCI

• Goals
  – Provide complete, accurate, up to date information on health care costs.
    • Inform research, public policy, business, and the general public.
    • Advance knowledge and policy debates.
• Data
  – Aetna, Humana, Kaiser Permanente, UnitedHealthcare providing access to data.
    • Others expected to join.
  – 5 billion medical claims records, $1 trillion in spending since 2000; 5,000 hospitals and 1 million+ providers.
    • 50-55 commercial million covered lives per year.
    • 8-10 million Medicare Advantage covered lives per year.
  – Commercial plans – Some government data from Medicare Fee for Service and Medicare Advantage. Medicaid under consideration to be added later.
  – Updated regularly.
  – HIPAA-compliant: de-identified data only.
Activities

• Phase 1
  – Data pulled by individual insurers on a project by project basis.
  – Small # of projects.
    • Get to know data.

• Phase 2
  – Construct unified database.
    • Data Committee
  – Call for proposals to use the data.
Health Insurance Claims Data

• Record is a claim
  – Claim occurs when an insured individual obtains services/care/products that are covered in whole or in part.

• Information
  – Individual information
    • Unique ID (for that plan or insurer)
    • Age
    • Sex
    • Zipcode
    • Type of insurance (Commercial: HMO, PPO, ..., Medicare, Medicaid)
  – Employer Information
    • Unique ID
    • # of employees
    • Standard Industry Classification (SIC) code
Data

- Provider Information
  - Provider ID
  - Provider Type (Hospital, Doctor/Specialty, Pharmacist, Prison, ...)
  - Provider Location

- Claim Information
  - Date(s)
  - Diagnosis codes (ICD-9)
    - DRGs
  - Procedure codes (CPT-4, HCPCS)
  - Drug codes (NDC)
  - Quantities
    - Admissions, Lengths of Stay
    - Prescriptions, Days Supply
  - Charges
  - Allowed amounts
  - Amount(s) paid by individual
  - Type of admission (emergency, elective, newborn, trauma, ...)
  - Type of discharge (home, nursing home, dead, ...)
  - Branded vs. generic drugs