



■ Business Impact

“All-payer claims database initiatives are increasingly becoming an important component of state health care reform activities, serving as sources of information for transparency, value purchasing, and market applications. States with APCDs are well positioned to respond to health care reform challenges and to be active participants in comparative effectiveness research.”

– The Commonwealth Fund¹

■ Challenges

- **Poor performance of traditional IT systems on big data.** To build and maintain an APCD, the state must gather a large amount of continuously growing data while complying with federal and state privacy regulations such as HIPAA, but the size of the data makes it complex to cleanse, prep and manage for analytics readiness.
- **Inability to answer important policy questions.** Policymakers need insight into population health, costs and accessibility. It's difficult to be responsive to requests for information when a technical person is needed to make sense of claims data, or from analysts who only have access to a limited data set from Medicaid or other state agencies.
- **Citizens lack the knowledge they need to make choices.** With the advent of health care reform, citizens need to be able to make informed decisions on where and how they receive their health care services, but they need a simple method to get information on cost and quality.

¹ “All-Payer Claims Databases: State Initiatives to Improve Health Care Transparency,” The Commonwealth Fund, September 2010.

How can we increase transparency of our state's health care costs, quality and access to make the right decisions about health care?

THE ISSUE

By 2020, US national health spending is expected to reach \$4.6 trillion and constitute 19.8 percent of GDP.² This unprecedented rise will require a new focus on one of the most pressing issues surrounding health care reform and cost containment: health care price transparency.

The federal government is promoting price transparency among states through the Health Insurance Exchanges and by giving grants to establish health data centers. These new incentives to provide reliable, comparative information on cost and quality can empower consumer choice and ultimately reduce health care costs. Transparency prompts incentives at all levels of the health care system and motivates all stakeholders – payers, providers, employers and consumers – to take an active role in reducing health care costs.

In response to these demands, states are developing all-payer claims databases (APCDs) to shed light on the actual costs of health care services. Also known as all-claims databases, they help states understand and identify variation in payment and quality across plans and providers, and promote informed decision making across the entire health care system. States that see the value of health care cost data understand how transparency of health care information leads to improved quality of care for their population.

THE SAS® APPROACH

To help states improve transparency of health care cost and quality, SAS® software provides intake and management of vast amounts of claims data from multiple payers. Our solutions prepare data for advanced analytics, provide built-in health care metrics, and give you the ability to create custom analysis and research. All of this helps you:

- **Manage the growth and maturity of your APCD.** A comprehensive health data management process makes it easy for payers to submit their claims in a secure manner with automated verification. A data preparation process organizes the claims for the types of analytics that your state wants to do through a flexible data model. Various levels of persona-based access to the data can be created based on security rules, and your state can easily add more payers and claims data (even other data sources such as clinical data) without adversely affecting the performance of the system.
- **Generate a view to precise health insights immediately.** SAS delivers a visual gateway into large amounts of data so you can explore all of the APCD data, rather than a sample, to generate health insights that are important to your state. Standard reports provide a quick display of some of the most important health care metrics surrounding cost, quality, access and utilization.
- **Deliver meaningful insights to citizens.** To have the knowledge they need to improve their health, consumers can view health care cost and quality data across the state through a consumer Web portal that displays information that states want to deliver to the public.

² “National Health Expenditure Projections 2010-2020,” Centers for Medicare and Medicaid Services.

THE SAS® DIFFERENCE: A health data infrastructure for big data

SAS® performs advanced analytics on massive data sets extremely quickly and has a visual interface that makes it easy for anyone – even those without analytics training – to discover new insights. Only SAS provides:

- **An innovative foundation for health care data that supports advanced analytics** on data of all sizes, with extremely fast performance. Designed specifically to address diverse advanced analytic use cases, SAS puts a wealth of information at your fingertips to bolster transparency. The result is that your state is able to:
 - Explore cost, quality, access and utilization to give policymakers necessary insights on metrics that are important to the funding and well-being of your state.
 - Forecast the cost of health care programs/services over time to plan out-year budgets.
 - Identify the correlation of factors that influence health outcomes in your state.
 - Understand population health through common attributes, such as socioeconomic factors, risk for disease and access to preventive care.
 - Identify high-performing communities that provide cost-effective care.
 - Manage Medicaid programs and services more effectively.
 - Plan health reform efforts, like measuring the effectiveness of care coordination models and payment models.
 - Enable targeted public health initiatives and interventions based on granular assessment of health care disparities across geographies.
- **A data visualization environment in which you can visually explore huge amounts of data** easily and quickly. This capability provides anyone with access rights the ability to use interactive Web-based reports and study relationships, even through mobile devices, without having to be an expert in analytics.
- **The option to use additional analytical modules**, such as SAS Episode Analytics, SAS Fraud Framework and SAS for readmissions analytics, which can grow the APCD's value and expand your APCD from data to deep insights.

Report Card on State Price Transparency Laws – 2013

The Health Care Incentives Improvement Institute, or HCI3, aims to improve health care quality and value with evidence-based incentive programs and a fair and powerful model for payment reform. HCI3 has found through recent studies that the price for an identical procedure within a market can vary sevenfold with no demonstrable difference in quality, making price transparency more important than ever.



Jointly with Catalyst for Payment Reform, HCI3 has published the *Report Card on State Price Transparency Laws*, which examines existing transparency laws in all 50 states and grades them on how well they support the information needs of consumers. Read the report at: bit.ly/transparencyreportcard.

What if you could ...

Build a flexible APCD infrastructure able to grow with your state's vision

- What if your state could create a health data infrastructure that integrated data of various types from multiple sources and enabled you to grow your APCD for future needs?

Make fact-based policy decisions

- What if you could use advanced analytics to make better informed, fact-based policy decisions to improve the health of your citizens?

Have an informed citizenry

- What if you could empower your citizens to make informed decisions about their health care?

You can. SAS gives you The Power to Know®

SAS FACTS

- SAS was named a Leader – recognized for completeness of vision and ability to execute – in Gartner Inc.'s *2013 Magic Quadrant for Data Integration Tools*.
- For more than 37 years, SAS has helped government and health care organizations meet the specific needs of payers and providers in both the public and private sectors.
- SAS has been in business since 1976 and through innovative solutions, helps customers at more than 65,000 sites – including all 50 states – improve performance and deliver value by making better decisions faster.

Learn more about SAS software and services for government at sas.com/gov



SAS Institute Inc. World Headquarters +1 919 677 8000

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