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COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

November 13, 2015

VIA ELECTRONIC TRANSMISSION

Bruce Siegel President and Chief Executive Officer America's Essential Hospitals 1301 Pennsylvania Avenue NW, Suite 950 Washington, D.C. 20004

Dear Mr. Siegel:

In July, the Medicaid program marked its 50th anniversary. Today, the Medicaid program offers a vital gateway to comprehensive health coverage for over 72 million people, ¹ including the low-income and most vulnerable. However, when compared to Medicare and commercial payers, the program lags behind in terms of reliable and current data on quality, spending, payment, and utilization. In order to effectively operate the program, these data points are essential to ensure enrollees have access to quality care, that state and federal tax payer funds are appropriately spent, and that the largest payer in the country is held to reasonable transparency and accountability standards.

Federal reporting requirements for the Medicaid program have evolved over a long period of time and represent a patchwork of requirements linked to specific legislation and programs that may have resulted in overlapping and duplicative reporting. Given the resources involved in reporting and analyzing the data, and the increasing role of the program, we are interested in ensuring that the appropriate information is collected in an efficient manner and that states and the federal government have the information they need in a useable format to fulfill their responsibilities and make informed policy decisions. States have been modifying their data systems and have the capability for more advanced data and analytics than ever before. For instance, 19 states have implemented All Payer Claims Databases (APCD) that can provide a wealth of comparative information. While the Centers for Medicare & Medicaid Services (CMS) and states are implementing new data initiatives that will improve the accuracy and currency of claims and encounter data, we are especially interested in stakeholder views on how other aspects of Medicaid data can continue to move forward in a coordinated and streamlined manner, how data gaps can be best filled, and how these data can be useful to state and federal policymakers.

¹ Centers for Medicaid & Medicare Services, Medicaid & CHIP, July 2015 Monthly Applications, Eligibility Determinations and Enrollment Report, accessed online at http://medicaid.gov/medicaid-chip-program-information/program-information/downloads/july-2015-enrollment-report.pdf.

We therefore seek stakeholder input on data gaps and how state reporting requirements might be streamlined to reduce redundancies and provide useable information that will help the states and the federal government fulfill their respective administrative and oversight responsibilities in a manner that is efficient, transparent, and accountable. More specifically, current and accurate information is needed at both the state and federal levels to ensure that Medicaid enrollees have access to quality services, that those services are appropriate and produce quality outcomes, and that the risks of fraud, waste, and abuse are minimized. Accordingly, we respectfully ask that you respond to the following questions:

- 1. What data sources are lacking or should be employed more effectively, updated, or better coordinated to facilitate state operations, administrative functions, and inform state and federal decision-making? Are there specific reporting requirements in the Medicaid program that are duplicative, overlapping, or outdated that could be streamlined? If so, please be specific about which reporting requirements are duplicative, overlapping, or outdated, or could otherwise be streamlined.
- 2. As payment methodologies continue to move towards incorporating pay for performance methodologies, the development and use of standard quality indicators will become more prevalent—such as with the Adult and Pediatric Quality Measures Programs. What quality indicators should be required reporting in Medicaid and what steps should be taken to move in this direction?
- 3. At present, gaps in the information collected at the federal level related to Medicaid provider payment amounts make it difficult to determine how much providers are paid. To obtain more current and comprehensive information about how Medicaid dollars are spent, and how providers and others are paid, what role should the federal government play in requiring additional, or streamlining existing, state reporting of Medicaid provider payments? Should individual provider payments be made more transparent? Should states be required to report DSH and non-DSH supplemental provider payments at the individual provider level, and if so, should this be reported into T-MSIS? Should these types of payments be audited or auditable? Should states be required to report the amount paid in provider taxes, certified public expenditures, or intergovernmental transfers or increase transparency of these payment sources?
- 4. How should federal databases be used to facilitate sharing of information across states that are interested in implementing state-specific models or demonstration programs, or to facilitate academic research? Are there certain kinds of multi-state reports or evaluations that would be helpful, for example, reports on spending and utilization for dual eligible individuals, or for certain high risk populations? Are there other reports or evaluations related to specific demonstrations? What kind of process would be most helpful to ensure maximum usefulness of such reports to relevant stakeholders?
- 5. A key issue with many types of Medicaid data is the lag time in reporting and delayed access to timely, quality data. What changes could be made at the Federal and state level to improve the timeliness of the submission and availability of Medicaid data?

6. To what extent is T-MSIS addressing these timeliness issues and what else could be done? Are there any other programs or requirements that you think should be considered as part of our review of reporting requirements at the state and Federal level?

Thank you for taking the time to provide thoughtful feedback. We respectfully request your response by January 8, 2016. If you have any questions about this request, please contact Kim Brandt with Chairman Hatch at Kim Brandt@finance.senate.gov or Anne Dwyer with Ranking Member Wyden at Anne Dwyer@finance.senate.gov. All written comments should be submitted to both Kim Brandt and Anne Dwyer, at the above email addresses. We look forward to reviewing your submissions.

Sincerely,

Orrin G. Hatch Chairman

Committee on Finance

U.S. Senate

Ron Wyden

Ranking Member

Committee on Finance

U.S. Senate

cc: Mr. Matt Salo

Executive Director, National Association of Medicaid Directors

cc: Mr. Dan Crippen

Executive Director, National Governors Association

cc: Ms. Diane Rowland

Chair, Medicaid and Chip Payment and Access Commission

cc: Ms. Marsha Gold

Vice Chair, Medicaid and Chip Payment and Access Commission

cc: Ms. Margaret Murray

Chief Executive Officer, Association for Community Affiliated Health Plans

cc: Mr. Jeff Myers

President and Chief Executive Officer, Medicaid Health Plans of America

cc: Mr. William Pound Executive Director, National Conference of State Legislatures

cc: Mr. Mark Wietecha President and Chief Executive Officer, Children's Hospital Association

cc: Ms. Christine Cassel President and Chief Executive Officer, National Quality Forum

ce: Mr. Mark Parkinson President and Chief Executive Officer, American Health Care Association