

APPENDIX J, WA-APCD SOW DRAFT TO OFM CP 16-100

Purpose of the WA-APCD

The WA-APCD must improve transparency to:

- Assist patients, providers, and hospitals to make informed choices about care
- Enable providers, hospitals, and communities to improve by benchmarking their performance against that of others by focusing on best practices
- Enable purchasers to identify value, build expectations into their purchasing strategy, and reward improvements over time
- Promote competition based on quality and cost

WA-APCD Statement of Work

The WA-APCD Statement of Work has three Parts with “gates” to the start of Parts 2 and 3.

Part 1

Part 1 requires the Lead Organization to assist OFM in WA-APCD rule-making, establish the Data Submission Guide and perform planning activities to design and establish the WA-APCD system and Lead Organization administrative functions.

Gate #1: Starting Part 2 is dependent upon the approval by CMS of OFM’s requests for one-year no-cost extensions to the CMS Rate Review Cycle III and Cycle IV grants that are primarily funding the establishment of the WA-APCD.

Part 2

Part 2 Activities are to:

- establish the WA-APCD system and functional mechanisms
- collect and load historical claims data
- establish Lead Organization administrative processes and governance activities
- create claims data products to be made available for free use by the public and other data products to sell to support the WA-APCD
- establish the WA-APCD branding and website
- conduct market and outreach activities
- establish Reporting for the Washington State Common Measures Set for Health Care Quality and Cost Performance Outcomes and conduct quarterly reporting

The universe of claims and encounter data for inclusion in the WA-APCD, as mandated, includes:

- Public Claims Data
 - Medicaid Data will be shared from the Washington Health Care Authority (HCA) consistent with federal and state law
 - <http://hca.wa.gov/medicaid/healthyoptions/pages/planlinks.aspx>
 - Public Employees Benefits (health care)
 - <http://www.hca.wa.gov/pebb/Pages/counties.aspx>
 - Public Employees Benefits (dental)
 - <http://www.hca.wa.gov/pebb/Pages/dental.aspx>
- Commercial Claims and Encounter (health care, pharmacy and dental)
 - See *Attachment 1 - Top 40 Companies by Line of Business*

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Claims and encounter data will be collected as per the Lead Organization and Data Vendor's approach, as detailed in their competitive procurement response.

Gate #2: Upon the conclusion of the 2018 Legislative Session in April 2018, OFM and the Lead Organization will review the Lead Organization's current revenue, expenditure and sustainability actuals and projections for the WA-APCD system and Lead Organization and will negotiate a mutually-agreed upon scope of work for the future operations and maintenance of the WA-APCD. At a minimum, a basic level of operations and maintenance is needed. Should OFM and the Lead Organization come to the mutual conclusion that the Lead Organization cannot sustain the minimum level of operations and maintenance, the contract may be terminated by mutual agreement.

Part 3

Part 3 consists of operations and maintenance of the WA-APCD system and Lead Organization. The scope of this work will be negotiated under Gate #2.

CMS Grant Funding – No Cost Extensions

Much of the work is funded by two 2-year grants from the Centers for Medicare and Medicaid Services (CMS), the Rate Review Cycle III and Rate Review Cycle IV grants. Currently the Cycle III grant is in its first one-year no-cost extension (or Year 3) and ends September 30, 2016. The Cycle IV grant is in its second year and ends September 30, 2016.

If CMS permits, OFM intends to seek a second, one-year no-cost extension for the Cycle III grant and a first one-year no-cost extension for the Cycle IV grant on or shortly after July 1, 2016. Should these next extension requests be approved by CMS, OFM will confirm with the Lead Organization and Data Vendor the ability to start the Part 2 work. If one or both of the one-year no-cost grant extension requests are not approved by CMS or no-cost extensions are not permitted, OFM will work with the Lead Organization and Data Vendor to identify what work can be accomplished by September 30, 2016.

The CMS State Innovation Models grant is also funding specific work for the WA-APCD. This work includes the Lead Organization establishing Reporting for the Washington State Common Measures Set for Health Care Quality and Cost Performance Outcomes, conducting quarterly reporting and enhancing the data collection.

Note that each of the Activities in this SOW must be paid under specific grant funding. Each Activity must be completed by the end of its funding grant.

OFM's High-Level WA-APCD Milestones

Below is a timeline of OFM's WA-APCD milestones that impact the completion of Activities:

2016

- 7/1/2016 (approximately)
 - o OFM submits to CMS one-year, no-cost extension requests for Cycle III and IV grants
- 7/7/2016 (anticipated)
 - o Lead Organization and Data Vendor on board and can begin Part 1 of SOW
- Mid-July 2016

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- If CMS approves the Cycle III and IV grant one-year no-cost extension requests, Lead Organization and Data Vendor can begin Part 2 of SOW
- Late Summer 2016 – OFM begins drafting first legislatively-mandated report.
 - OFM gathers, prepares information for the first legislatively-mandated report due 12/1/2016 on the development and implementation of the database including but not limited to budget, cost, technical progress, work plan metrics
- 12/1/2016 – First legislatively-mandated report due to the appropriate Legislative Committees.

2017

- 7/1/2017 – If allowed, OFM submits to CMS a second one-year, no-cost extension request for Cycle IV grant
- Mid-July 2017
 - If CMS approves OFM’s second Cycle IV grant one-year no-cost extension request, Cycle IV Activities may continue until 9/30/2018
- Late Summer/Early Fall 2017
 - OFM and Lead Organization together review current outlook for sustainability of WA-APCD and Lead Organization
 - OFM gathers, prepares information for the second legislatively-mandated report due 12/1/2017 on the development and implementation of the database including but not limited to budget, cost, technical progress, work plan metrics
- 9/30/2017 – Cycle III Grant Ends (if OFM receives the second one-year no-cost extension)
 - All Cycle III Grant-funded Activities must be complete
- 12/1/2017
 - Second legislatively-mandated report due

2018

- 6/30/2018
 - Lead Organization provides status update to OFM on forecasted revenue generation and sustainability
- 6/30/2018 – Establish Ongoing Operations and Maintenance scope of work with Lead Organization and Data Vendor
 - OFM and the Lead Organization begin negotiations on the scope of Part 3 of this SOW – Operations and Maintenance SOW
 - Operations and Maintenance scope of work is dictated by then current forecast of the level of sustainability
- Summer 2018 – Begin Operations and Maintenance work under Part 3 of SOW
- 9/30/2018 – Cycle IV grant ends (if granted two one-year no-cost extensions)
 - All Cycle IV grant-funded Activities must be complete

2019

- 2/2019 – SIM Grant Funding Ends
- OFM prepares legislatively-mandated Biennial Report on the WA-APCD regarding the cost, performance and effectiveness of the Database and the performance of the Lead Organization under its contract with the Office

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WA-APCD Requirements List

All Part 1 and Part 2 Activities are to meet the relevant requirements listed in *Attachment L, WA-APCD Requirements List*. This List provides the SOW Activity or Activities to which each requirement corresponds. Requirements for Part 3 will be identified during Gate #2.

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Part 1

Part 1 Start: This work shall begin upon the start of the contract period for the Lead Organization.

Part 1 End: TBD

OFM Role: Should the Lead Organization want assistance, OFM is prepared to provide:

- Assistance to the Lead Organization and Data Vendor in market identification efforts. OFM staff will talk with state agencies about purchasing data with existing funds or funds obtained specifically for purchasing data products
- Conference room space for stakeholder meetings on an occasional basis
- Cubicle for one staff member to work on site (computer is not included)
- 0.5 of an OFM FTE through 12/31/2017 to assist in Lead Organization administrative work in the Olympia area

Activity #1: Provide Subject Matter Expertise, Planning and Design
Activity Funding: CMS Rate Review Cycle III Grant
<p>Activity Description: The Lead Organization shall complete the following to help establish the WA-APCD</p> <ul style="list-style-type: none"> • Provide subject matter expertise to assist OFM with the WA-APCD rule-making process • Develop the Data Submission Guide • Plan activities to prepare for the establishment of the Lead Organization and Data Vendor administration and infrastructure and the WA-APCD system • Work to inform and create the design details of the WA-APCD system and functions • Build relationships and begin market identification
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • APCD Subject Matter Expertise • WA-APCD Data Submission Guide • Completed Planning activities and document(s) • Completed Design activities and document(s)

Activity #2: Project Management
Activity Funding: Funding for this Activity should be folded into the price of Activity #1
<p>Activity Description: The Lead Organization shall provide project management for this Part of the project. This will include:</p> <ul style="list-style-type: none"> • Working collaboratively with OFM's Project Team, the OCIO Liaison and the Quality Assurance vendor • Allowing for OFM review and input into draft deliverables • Providing OFM with regular updates of the status of each Activity • Attending project Executive Sponsor Meetings and other meetings as required
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • Status reports every two weeks

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Part 2

Part 2 Start: This work shall begin upon CMS' approval of OFM's one-year, no-cost extension requests for the CMS Rate Review Cycle III and IV grants. OFM anticipates submitting a separate request for no-cost extension for each grant on or shortly after July 1, 2016.

Part 2 End: Each Activity must be completed by the end of its funding grant

OFM Role: Should the Lead Organization want assistance, OFM is prepared to provide:

- Assistance to the Lead Organization and Data Vendor in market identification efforts. OFM staff will talk with state agencies about purchasing data with existing funds or funds obtained specifically for purchasing data products
- Conference room space for stakeholder meetings on an occasional basis
- Cubicle for one staff member to work on site (does not include a computer)
- 0.5 of an OFM FTE through 12/31/2017 to assist in Lead Organization administrative work in the Olympia area

Activities:

Activity #1: Establish and Convene Advisory Committees
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: Establish two WA-APCD Advisory Committees <ul style="list-style-type: none"> • Data Policy Advisory Committee – whose purpose is to provide advice on data policy development • Data Release Advisory Committee – whose purpose is to help establish a data release process consistent with the requirements of the WA-APCD law and to provide advice regarding formal data release requests
Activity Deliverables: <ul style="list-style-type: none"> • Data Policy Advisory Committee • Data Release Advisory Committee

Activity #2: Establish the Data Submission Process
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: Establish a secure data submission process for Data Submitters to submit claims and data files to the WA-APCD
Activity Deliverables: <ul style="list-style-type: none"> • Data Submission Process

Activity #3: Establish the WA-APCD System and Documentation
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: Establish the WA-APCD system technical architecture and mechanisms to: <ul style="list-style-type: none"> • Collect, transfer and stage data • Cleanse and perform quality assurance of data

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<ul style="list-style-type: none"> • Identity match, longitudinalize and assign unique identifiers • Load and store data • Create and maintain a master provider roster <ul style="list-style-type: none"> ○ The state does not keep a Master Provider Roster. However, one source of this information available to the Lead Organization are monthly network access reports in comma delimited format (Form A) filed monthly to the Office of the Insurance Commissioner. These files are publicly available and can be downloaded from this website: http://www.insurance.wa.gov/consumertoolkit/Search.aspx. Search by insurer name and select “View Network Access Reports” under “Network Access Reports.” • Ensure security and privacy of the data and the system • Back up and recover data • Conduct business intelligence • Retrieve data • Create and Maintain System Documentation
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • Operational WA-APCD system and functions • System Documentation

<p>Activity #4a: Collect and Load Historical Claims Data from Submitters – Group 1 Suppliers</p>
<p>Activity Funding: CMS Rate Review Cycle III Grant</p>
<p>Activity Description: Collect, cleanse, identity match, de-identify and load public and commercial historical claims data into the WA-APCD using the processes and mechanisms established</p>
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • Group 1 Historical Claims Data Submitted and Loaded

<p>Activity #4b: Collect and Load Historical Claims Data from Submitters – Group 2 Suppliers & Voluntary Data Suppliers</p>
<p>Activity Funding: CMS Rate Review Cycle IV Grant</p>
<p>Activity Description: Collect, cleanse, identity match, de-identify and load public and commercial historical claims data into the WA-APCD using the processes and mechanisms established</p> <ul style="list-style-type: none"> • Includes a request to self-insured organizations for voluntary submission of their claims data to the WA-APCD
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • Group 2 Historical Claims Data Submitted and Loaded

<p>Activity #4c: Enhance Data Collection</p>
<p>Activity Funding: CMS SIM Grant</p>
<p>Activity Description: Enhance the data collection in the WA-APCD</p>
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • Enhanced data collection (as determined by the Lead Organization and Data Vendor’s approach)

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Activity #5: Establish Data Processes and Criteria
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: Establish the following for the WA-APCD: <ul style="list-style-type: none"> • Data Access and Governing Process • Data Dictionary • Data Request Process • Data Use Agreement template between the Lead Organization and data recipients • Data Release Process • Data Verification Process for Comparison Reports • WA-APCD Data Product Fee Schedule
Activity Deliverables: <ul style="list-style-type: none"> • Data Access and Governing Process • Data Dictionary • Data Request Process • Data Request Template • Data Use Agreement template between the Lead Organization and data recipients • Data Release Process • Data Verification Process for Comparison Reports • WA-APCD Data Product Fee Schedule
Activity #6: Create WA-APCD Branding
Activity Funding: CMS Rate Review Cycle IV Grant
Activity Description: Create the WA-APCD brand <ul style="list-style-type: none"> • May include logo, tag line, color schemes, etc. • For use with all WA-APCD marketing, outreach, publications, including the WA-APCD website • OFM shall have input and review of the branding
Activity Deliverables: <ul style="list-style-type: none"> • WA-APCD Branding
Activity #7: Establish the WA-APCD Website
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: This website is intended to be the ongoing WA-APCD internet location for individuals or organizations seeking information about: <ul style="list-style-type: none"> • the WA-APCD and its available data • the process and content of WA-APCD data submissions • the process and criteria for obtaining WA-APCD available data • health care cost, quality and utilization
Activity Deliverables: <ul style="list-style-type: none"> • WA-APCD website
Activity #8: CMS Medicare Qualified Entity Application, Impacts and Recommendations
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: The Lead Organization must submit an application to become a certified CMS

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<p>Medicare Qualified Entity. CMS’ website with information on this process is here: http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/QEMedicareData/index.html?redirect=/QEMedicareData.</p> <p>The Lead Organization shall provide to OFM a document that describes the impacts of becoming a Qualified Entity on the WA-APCD and use of data in the system. The Lead Organization must identify other options for obtaining Medicare data for the WA-APCD, such as working through OFM to obtain the data. In addition, the Lead Organization must provide a recommendation to OFM for an optimal way to obtain the Medicare data.</p> <p>OFM may, at its sole option, issue another statement of work to the Lead Organization to obtain the Medicare data based on these findings</p> <p>Activity Deliverables:</p> <ul style="list-style-type: none"> • Submitted CMS Medicare Qualified Entity application • Impacts and Recommendations Document
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Activity #9: Report on Security and Privacy of the WA-APCD and Claims Data to the state of Washington Office of the Chief Information Officer
Activity Funding: CMS Rate Review Cycle III Grant
Activity Description: On or before commencement of data release, the Lead Organization and Data Vendor must submit detailed descriptions of its data security practices to Office of the Chief Information Officer (OCIO) to ensure robust security methods are in place. The OCIO must report its findings to OFM and the appropriate committees of the Legislature. Compliance with all applicable federal, state, and foreign privacy and data protection laws, as well as all other applicable regulations and directives in its collection, access, use, storage, disposal and disclosure of health care claims data.
Activity Deliverables:
<ul style="list-style-type: none"> • Report on Security and Privacy of the WA-APCD and Claims Data

Activity #10: Create Health Care Price Schedule and Quality Database
Activity Funding: CMS Rate Review Cycle IV Grant
Activity Description: Create a health care price schedule and quality database and make it accessible for free to the public
Activity Deliverables:
<ul style="list-style-type: none"> • Health Care Price Schedule and Quality Database for free public use

Activity #11: Create Two Health Care Claims Price Transparency Products for Public Use
Activity Funding: CMS Rate Review Cycle IV Grant
Activity Description: Create two health care claims price and quality products and make them accessible for free to the public. These products should help increase the general public’s awareness and use of health care pricing and quality information.
Activity Deliverables:
<ul style="list-style-type: none"> • #1 Health Care Price Schedule and Quality Product for free public use • #2 Health Care Price Schedule and Quality Product for free public use

Activity #12: Create Two Health Care Claims Price Transparency Products Available for Sale

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<p>Activity Funding: CMS Rate Review Cycle IV Grant</p> <p>Activity Description: Create two health care claims price and quality products and make them available for sale to support the WA-APCD system and Lead Organization.</p> <p>Note: Under the CMS Cycle IV Grant application, OFM identified the following two <u>potential</u> products:</p> <ol style="list-style-type: none"> a. <i>OFM is currently considering the creation of a product similar to the Census Bureau's Public Use Microdata Sample (PUMS) data files http://www.census.gov/programs-surveys/acs/technical-documentation/pums/about.html. These data set files would contain a sample of individual health care claims records that can be used to create custom tables, potentially covering timeframes such as 1, 3 and 5 years. Confidentiality would be protected potentially by stripping personal information from records through data swapping and other means and limiting geographic identifiers. The intent is to provide greater accessibility to inexpensive data sets for multiple purposes.</i> b. <i>Another product OFM is considering is a standard report, methodology or framework for use by many types of users. This product may provide information, such as metrics, on cost, quality and/or utilization of health care for a requested cohort, updatable on a regular basis. The intent is to create a product that is easily updated with the most current data and can be tailored for the specific requestor thereby making the data accessible to a wide group of users. OFM developed this type of product with education data and can provide in-kind expertise in developing this product with data from the WA-APCD.</i>
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • #1 Health Care Price Schedule and Quality Product available for sale • #2 Health Care Price Schedule and Quality Product available for sale

<p>Activity #13: Create WA-APCD General Public Education and Outreach Materials and Conduct Outreach</p>
<p>Activity Funding: CMS Rate Review Cycle IV Grant</p> <p>Activity Description: Create the WA-APCD general public education and outreach materials and conduct outreach about the WA-APCD</p> <ul style="list-style-type: none"> • Create marketing materials incorporating the brand for the lead Organization and the state's use to promote use of the WA-APCD and its products • Create branded health care price, quality and/or utilization information/content for education and marketing materials for use by the Lead Organization and Data Center using the results of focus groups conducted by OFM • Conduct outreach activities with local, regional and state-wide organizations from across the state
<p>Activity Deliverables:</p> <ul style="list-style-type: none"> • WA-APCD Marketing Materials • WA-APCD Educational & Marketing Information/Content • WA-APCD Outreach Activities

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Activity #14: Short-Term Operations and Maintenance
Activity Funding: CMS Rate Review Cycle IV Grant
Activity Description: Perform data collection and release and at least a minimum level of operations and maintenance on the system and minimum level of the Lead Organization and Data Vendor’s activities through the end of the Cycle IV grant funding.
Activity Deliverables: <ul style="list-style-type: none"> • Minimum operations and maintenance

Activity #15: Establish and Update the Reporting for the Washington State Common Measures Set for Health Care Quality and Cost Performance Outcomes
Activity Funding: SIM Grant
Activity Description: Establish an interactive reporting on the WA-APCD website to publish the Washington State Common Measure Set for Health Care Quality and Cost Performance Outcomes (http://www.ncqa.org/LinkClick.aspx?fileticket=POLoMIAi3Mo%3d&tabid=59&mid=1604&forcedownload=true) quarterly results. Once the WA-APCD system has been completed, the first report shall be published within a reasonable amount of time. It shall be updated quarterly thereafter.
Activity Deliverables: <ul style="list-style-type: none"> • Washington State Common Measures Set for Health Care Quality and Cost Performance Outcomes Website • Quarterly Reports

Activity #16: Identify Data Products for the WA-APCD and Establish the Data Product Fee Schedule
Activity Funding: Cycle IV Grant
Activity Description: Identify data products for sale from the WA-APCD for sustainability and establish the Data Product Fee Schedule under the WA-APCD rules process.
Activity Deliverables: <ul style="list-style-type: none"> • List and Description of WA-APCD Data Products • Data Product Fee Schedule

Activity #17: Project Management
Activity Funding: Funding for this Activity should be folded into the prices of all other Activities
Activity Description: The Lead Organization shall provide project management for Part 2 of the project. This will include: <ul style="list-style-type: none"> • Working collaboratively with OFM’s Project Team, OCIO Liaison and the Quality Assurance vendor • Creating and maintaining a Work Plan and Schedule for the Activities under this SOW <ul style="list-style-type: none"> ○ Allowing for OFM review and input into draft deliverables • Providing OFM with regular updates of the status of each Activity • Attending project Executive Sponsor Meetings as required • Update the Lead Organization’s Sustainability Plan in preparation for Gate #2 discussions
Activity Deliverables: <ul style="list-style-type: none"> • Initial Work Plan and Schedule • Status reports with an Updated Work Plan and Schedule every two weeks • Updated Sustainability Plan

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Part 3

Part 3 consists of operations and maintenance of the WA-APCD system and Lead Organization. By 6/30/2018, OFM and the Lead Organization will review the current revenue, expenditure and sustainability projections for the WA-APCD system and Lead Organization and update the Sustainability Plan and provide it to OFM. With that information, the Lead Organization and OFM will negotiate the scope of work for the Operations and Maintenance of the WA-APCD. At a minimum, a basic level of operations and maintenance, as mutually determined and agreed-upon by the Lead Organization and OFM, is required.

This Part also includes Lead Organization reporting:

1. Annual List of Lead Organization Reports and Data Products for the Upcoming Year due by October 31st, annually
2. Annual Data Submission Compliance Status Report
3. Lead Organization Annual Report
 - a. Includes updated Sustainability Plan

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