



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued December 31, 2021

Center for Health Information and Analysis

For the period January 1, 2019 through November 30, 2020





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Ray Campbell, Esq., Executive Director
Center for Health Information and Analysis
501 Boylston Street
Boston, MA 02116

Dear Mr. Campbell:

I am pleased to provide this performance audit of the Center for Health Information and Analysis. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, January 1, 2019 through November 30, 2020. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Center for Health Information and Analysis for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMB", written over a light blue circular watermark.

Suzanne M. Bump
Auditor of the Commonwealth

cc: Marylou Sudders, Secretary of the Executive Office of Health and Human Services and Chair of the Health Information and Analysis Oversight Council

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EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of the Center for Health Information and Analysis (CHIA)¹ for the period January 1, 2019 through November 30, 2020.

The purpose of this audit was to determine whether CHIA maintained information that was updated at least annually on its consumer healthcare information website, CompareCare, as required by Section 20 of Chapter 12C of the General Laws.

Below is a summary of our finding and recommendation, with links to each page listed.

Finding 1 Page 6	CHIA does not maintain information that is updated at least annually on its consumer healthcare information website, CompareCare.
Recommendation Page 7	CHIA should maintain information that is updated at least annually on CompareCare.

1. Generally accepted government auditing standards require that organizations be free from organizational impairments to independence with respect to the entities they audit. In accordance with Section 2 of Chapter 12C of the General Laws, the executive director of the Center for Health Information and Analysis is appointed by a majority vote of the Attorney General, State Auditor, and Governor. Additionally, pursuant to Section 2A of Chapter 12C of the General Laws, the State Auditor makes two appointments to the 11-member Health Information and Analysis Oversight Council. This disclosure is made for informational purposes only, and this circumstance did not interfere with our ability to perform our audit work and report the results thereof impartially.

OVERVIEW OF AUDITED ENTITY

The Center for Health Information and Analysis (CHIA) is an independent agency established under Section 20 of Chapter 12C of the Massachusetts General Laws. CHIA succeeded the Division of Health Care Finance and Policy and assumed many of that agency's responsibilities.

CHIA's website states,

CHIA's mission is to be the agency of record for Massachusetts health care information, to responsibly steward sensitive and confidential data, and to objectively report reliable and meaningful information about the quality, affordability, utilization, access, and outcomes of the Massachusetts health care system. . . .

[CHIA] serves as the Commonwealth's primary hub for health care data and a primary source of health care analytics that support policy development.

CHIA is managed by an executive director, who is appointed by a majority vote of the Governor, Attorney General, and State Auditor. It is overseen by the Health Information and Analysis Oversight Council, which manages its budget allocation and provides guidance on research and analytics conducted by CHIA. The council is an 11-member body that was established through the fiscal year 2016 budget process and meets quarterly. The executive director and council members serve five-year terms and can be reappointed.

During fiscal year 2021, CHIA had an approved budget of \$31,320,586. During our audit period, CHIA had approximately 150 employees in various units: Communication and External Affairs, Human Resources and Administration, Legal, Finance, Health Informatics and Reporting, Strategy and Research, Provider Finance, and Data Operations and Technology. CHIA is located at 501 Boylston Street in Boston.

CompareCare

CompareCare is a public website that CHIA launched in 2018 and currently maintains in accordance with Section 20 of Chapter 12C of the General Laws. According to the website,

CompareCare is the product of collaboration between Massachusetts government health care agencies and health care partners who provide care and coverage for residents of the Commonwealth.

CompareCare offers various tools, such as a tool to help consumers compare costs of medical procedures at different healthcare facilities in the state and another to help consumers compare the

quality of local hospitals and healthcare facilities. It also offers help to consumers so they can make informed decisions about their health insurance coverage and healthcare needs. Finally, it offers help to consumers so they can troubleshoot issues with medical services, medical bills, health insurance, and healthcare.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Center for Health Information and Analysis (CHIA) for the period January 1, 2019 through November 30, 2020.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is our audit objective, indicating the question we intended our audit to answer, the conclusion we reached regarding the objective, and where the objective is discussed in this report.

Objective	Conclusion
Does CHIA maintain information that is updated at least annually on its consumer healthcare information website, CompareCare, as required by Sections 20(a) and (b) of Chapter 12C of the General Laws?	No; see Finding 1

To achieve our audit objective, we gained an understanding of the internal control environment related to the objective by reviewing the applicable CHIA policies and procedures, interviewing CHIA management, and observing the information and data available on CompareCare.

In addition, we performed the following procedures to obtain sufficient, appropriate audit evidence to address the audit objective.

Methodology

To determine whether CHIA maintained information that was updated at least annually on CompareCare, we interviewed CHIA officials and personnel who were responsible for oversight of the website. Further, we obtained and reviewed screenshots of various sections of CompareCare and determined when the information was last updated. We also conducted observations of the information on the website to determine when the information was last updated, as well as whether the information met all of the requirements of Sections 20(a) and (b) of Chapter 12C of the General Laws. Finally, we

obtained and reviewed documentation from CHIA officials regarding presentations they provided to stakeholders on the development, timeline, and prelaunch of CompareCare, as well as a memorandum regarding the Health Information and Analysis Oversight Council.

DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

1. The Center for Health Information and Analysis does not maintain information that is updated at least annually on its consumer healthcare information website, CompareCare.

Based on our audit, the Center for Health Information and Analysis (CHIA) does not update its consumer healthcare information website, CompareCare, at least annually: CompareCare currently contains only 2015 and 2016 consumer healthcare information. As a result, consumers do not have access to the latest information on comparative prices and costs for common healthcare services. Consumers may need this information to make proper choices regarding healthcare providers, healthcare quality, and healthcare costs.

Authoritative Guidance

According to Sections 20(a) and (b) of Chapter 12C of the Massachusetts General Laws, CHIA is required to maintain a consumer healthcare information website. Section 20 of Chapter 12C of the General Laws requires CHIA to provide information on this site that is updated at least annually. It also requires that the site reflect specific information:

- (a) The website shall contain information comparing the quality, price and cost of health care services. The website shall also provide information about provider and payer achievement of cost benchmarks and growth goals. The website may also contain general health care information as the center considers appropriate. . . .*
- (b) The website shall provide updated information on a regular basis, at least annually, and additional comparative quality, price and cost information shall be published. . . . The website shall include: (1) comparative price and cost information for the most common referral or prescribed services . . . (2) comparative quality information . . . for each such service or category of service . . . (3) general information related to each service or category of service . . . (4) comparative quality information . . . that is not service-specific . . . (5) data concerning healthcare-associated infections and serious reportable events . . . (6) definitions of common health insurance and medical terms . . . (7) a list of health care provider types . . . (8) factors consumers should consider when choosing an insurance product or provider group . . . (9) patient decision aids . . . (10) a list of provider services that are physically and programmatically accessible for people with disabilities; and (11) descriptions of standard quality measures.*

Reasons for Issue

CHIA officials told us that there were numerous past reasons, listed below, that they could not update CompareCare at least annually. However, we determined that none of the reasons listed below would have directly prevented CHIA from updating CompareCare as required by law.

- CHIA does not have access to any consumer's health insurance information, health insurance coverage, or current status of annual deductible. Not having access to this information prevents CHIA from providing consumers with the exact cost of a medical procedure.
- Health plan and provider organizations have expressed concern to CHIA officials about the possibility of confusing their members and patients, since prices for medical procedures listed on CompareCare might not be accurate.
- CompareCare, much like other state consumer transparency websites, has had low levels of public interest.
- In a 2016 decision (Gobeille v. Liberty Mutual Insurance Co.), the United States Supreme Court ruled that the Employee Retirement Income Security Act preempted entities like CHIA requiring submission of claim data from self-insured employers. Because self-insured employers encompass the majority of the commercial insurance market, CHIA no longer had data on prices paid by national insurance carriers after this decision.
- In November 2019, former President Donald Trump's administration announced that it would institute sweeping federal price transparency requirements for hospitals and health plans. Because CHIA wanted to be consistent with these requirements, it was waiting for the federal government to clarify its transparency strategy before updating CompareCare.

Recommendation

CHIA should maintain information that is updated at least annually on CompareCare.

Auditee's Response

The Center for Health Information and Analysis (CHIA) acknowledges the accuracy of the audit finding that CompareCare has not been updated on an annual basis. The agency also acknowledges that the bullets listed under Reasons for Issue have not precluded CHIA from updating the site. However, CHIA believes that CompareCare still fulfills the primary purpose for which it was designed: providing general information on comparative prices for common health care services and provider quality, facilitating informed conversations between patients and their providers and insurers about health care choices, and helping consumers resolve common problems with health care. Consumers shopping for care will continue to find the most accurate information through their respective insurer, who will have access to their out-of-pocket costs, which are a function of their specific coverage and the status of their deductible, or provider.

Notwithstanding, CHIA maintains its commitment to a robust transparency agenda. Subsequent to the audit period, CHIA refreshed the data on CompareCare to reflect calendar year 2017 (the most current extract available to the agency). Having recently completed a yearslong project to make the [state database] more analytically accessible, CHIA now anticipates being able to produce the extracts necessary for annual updates to CompareCare. The agency is also engaged in ongoing discussions regarding additional opportunities to present meaningful information to consumers without duplicating efforts or creating market confusion.