WHEN AN APCD IS NOT ENOUGH (YOU NEED RPO): DEVELOPING A SYSTEM TO MAP THE STRUCTURES AND RELATIONSHIPS OF MASSACHUSETTS' LARGEST HEALTHCARE PROVIDERS

KARA VIDAL, MPH,[1] KATHERINE SCARBOROUGH MILLS, ESQ., MPH,[1] SUSAN FLANAGAN-CAHILL, ESQ.,[1] ELIZABETH REIDY, MPH,[1]
THOMAS HAJJ, ESQ .,[1] ÁRON BOROS, ESQ., MPP[2]

[1]Massachusetts Health Policy Commission, Boston, MA [2]Center for Health Information and Analysis, Boston, MA

MASSACHUSETTS HEALTH POLICY COMMISSION

INTRODUCTION

In Massachusetts, as in other states, the healthcare market is changing rapidly. Providers are increasingly organizing themselves into Accountable Care Organizations (ACOs) and developing new corporate, joint contracting, and clinical relationships to better manage patient care across the continuum. How and with whom providers choose to develop these relationships can impact market consolidation, prices, care delivery practices, referral patterns, and providers' ability to provide high-quality and high-value care.

Many states have a powerful tool to track aspects of healthcare spending and market functioning in their All-Payer Claims Databases (APCDs). However, APCDs offer little insight into how the healthcare market is structured and they can provide incomplete information about how and where healthcare dollars are spent.

By establishing a Registration of Provider Organizations (RPO) program, Massachusetts created a first-in-the-nation system for collecting public, standardized data about the organizational structure and affiliations of its largest providers. The Massachusetts Health Policy Commission (HPC) will release this dataset in 2016 as a powerful complement to the state's APCD and other datasets. The RPO dataset will be a key resource for understanding the impact of the changing market on the cost and quality of care and a model for other states seeking to create tools to better understand healthcare costs and market functioning.

RESEARCH OBJECTIVE

The HPC worked with experts in the fields of health economics, payer contracting, healthcare quality, and accounting to discuss the form and content of the dataset and collaborated with known end-users of the data to identify their needs and priorities. Based on these conversations, the HPC identified four key strengths of the RPO Program and designed its data collection to highlight these features.

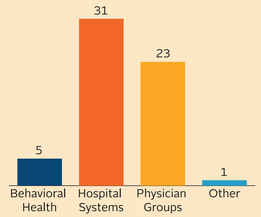
- **Uniform:** The HPC defined affiliation types such as "Corporate Affiliation" and "Contracting Affiliation" in a uniform manner for the first time. Massachusetts now has a common, statewide language for discussing provider relationships.
- **Provider-reported:** APCD claims are reported by payers and therefore may not consistently reflect provider relationships within and across systems. The RPO data is self-reported by the provider and may be a more reliable information source for questions of provider market structure.
- **Linkable:** The HPC prioritized collecting data elements such as National Provider Identifiers and Employer Identification Numbers that will allow researchers to link RPO data with other available data resources, including the Massachusetts APCD.
- **Public:** All information collected by the RPO Program will be publicly available to all interested parties.

STUDY DESIGN

Provider Organizations that qualify under the statute, either because they receive substantial Net Patient Service Revenue from commercial payers or because they participate in payer contracts with downside risk, are required to submit information to the Commonwealth annually. In the first year, reporting was limited to Provider Organizations that established contracts on behalf of hospitals, physician groups and/or behavioral health providers. Reporting may be expanded to other organization types in future years

A total of 60 organizations were required to register in the first cohort, including **31** hospital systems, **23** physician groups, **5** behavioral health providers, and **1** laboratory provider.

In the first year of data collection, the HPC prioritized creating a **relational database** that captures each Provider Organization's internal corporate structure and its external contracting and clinical relationships with other providers as detailed below. Additional data elements may be included in future years.



Behavioral Health - Includes Provider Organizations that are exclusively or primarily providers of behavioral health services

Hospital Systems - Includes Provider Organizations that own or control at least one hospital that is not a psychiatric hospital

Physician Groups - Includes physician groups and contracting organizations that are not corporately affiliated with a hospital

Other - Includes Provider Organizations that did not meet one of the three definitions above

FILE NAME	DESCRIPTION	REQUIRED	SAMPLE DATA ELEMENTS	# OF ELEMENTS
Background Information	Completed by the uppermost corporate entity with a primary business purpose of healthcare delivery or management	Yes	▪ Legal name and Employer Identification Number (EIN) ▪ Primary business address ▪ Description of organization	42
Corporate Affiliations	Includes identifying information about each of the Provider Organization's corporate affiliates	Yes	▪ Organization type ▪ Corporate parents ▪ Entities that contract with payers on the affiliate's behalf	16
Contracting Affiliations	Includes identifying information about each entity on whose behalf the Provider Organization, or one of its corporate affiliates, establishes at least one payer contract	As applicable	▪ Organization type ▪ Entities that contract with payers on the affiliate's behalf	5
Contracting Entity	Includes information about the subset of the Provider Organization's corporate affiliates that establish at least one payer contract	Yes	▪ Payer types ▪ Participation in Global Payment contracts ▪ Internal funds flow	10
Facilities	Includes information about each licensed Facility that the Provider Organization owns or controls	As applicable	▪ NPI ▪ License number ▪ License type ▪ Service lines	16
Clinical Affiliations	Includes information about each entity with which the Provider Organization has a Clinical Affiliation	As applicable	▪ Affiliation type ▪ Affiliation start date ▪ Description of the Affiliation	7
Physician Roster	Includes information about each physician on whose behalf the Provider Organization, or one of its corporate affiliates, establishes at least one payer contract	As applicable	▪ NPI ▪ Specialty ▪ PCP Status ▪ Employed Status ▪ Practice Sites	37

RESULTS

The RPO dataset is a robust source of information that includes all of the general acute care hospitals and a significant portion of physicians in Massachusetts.

All general acute care hospitals (57) and four specialty hospitals located in Massachusetts are accounted for in the data.

21,678 Total MA-based physicians captured

85.5% Percent of all MA-licensed physicians

91.9 & 105.1% Physician overlap between RPO dataset and similar commercial datasets

The RPO dataset is a powerful tool for identifying PCPs.

The HPC used two methods to identify Primary Care Physicians (PCPs) in the RPO dataset:

1. Counting all physicians who selected "Primary Care Physicians" or "Both" to a PCP Status question.
2. Counting all physicians with a primary specialty of adolescent medicine, family medicine, internal medicine, general practice, geriatrics, gynecology, obstetrics & gynecology, or pediatrics.

Utilizing the second method yielded a substantially similar proportion of PCPs as other commercial data sets (~33%), which generally do not have a field for PCP status.

PCP-Flag method identified **5,329 PCPs** (25% OF ALL REPORTED PHYSICIANS)

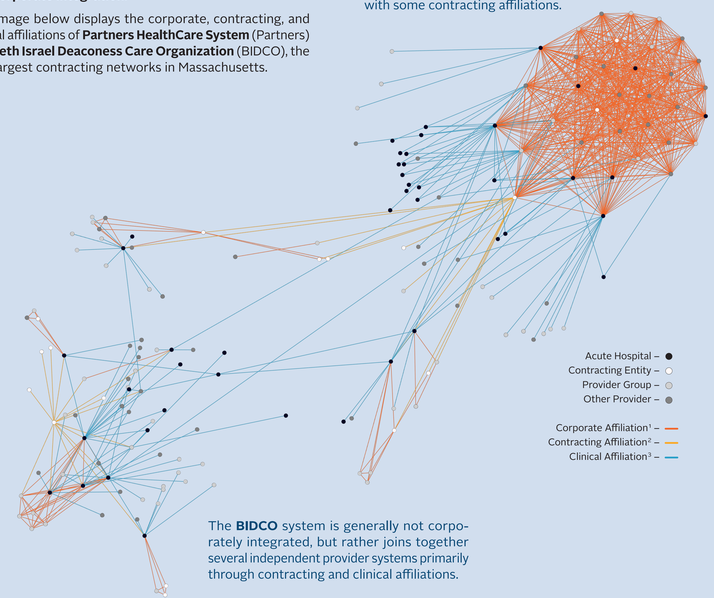
Physician specialty method identified **7,028 PCPs** (32% OF ALL REPORTED PHYSICIANS)

The difference in the resulting PCP counts between these two methods suggests that datasets that include a PCP Status flag, like the RPO dataset, may yield more accurate results for PCP analyses.

The RPO database allows researchers to examine Provider Organizations' strategies to affiliate with other providers, including through joint risk contracting, clinical affiliations, and corporate integration.

The image below displays the corporate, contracting, and clinical affiliations of **Partners HealthCare System** (Partners) and **Beth Israel Deaconess Care Organization** (BIDCO), the two largest contracting networks in Massachusetts.

The **Partners** system is generally characterized by corporate integration coupled with some contracting affiliations.



The **BIDCO** system is generally not corporately integrated, but rather joins together several independent provider systems primarily through contracting and clinical affiliations.

POLICY IMPLICATIONS & CONCLUSIONS

- The ability to map affiliations between providers is critical to monitoring healthcare costs and fully understanding healthcare market functioning.
- RPO data can complement APCDs and other datasets to correctly attribute providers to larger organizations and to evaluate the effects of providers' organizational structure on their performance.
- RPO datasets can also track changing corporate, contracting, and clinical relationships over time and allow states to estimate the impact of such changes on market consolidation, prices, care delivery practices, and referral patterns.
- The HPC expects that the RPO dataset will be a valuable resource beyond the research and policy-making communities; market participants can use the RPO data to inform strategic decisions about, for example, service line expansion or the creation of new contracting entities. The public can use the RPO dataset to easily map a specific physician to the larger health system with which he or she is affiliated or to determine whether an outpatient facility may be more likely to charge facility fees.
- The RPO dataset is the first effort by a state to create a uniform, publicly accessible database of its healthcare market and could act as a model for other states that are interested in creating such tools.

CONTACT

RPO Team
Health Policy Commission
HPC-RPO@state.ma.us

www.mass.gov/HPC

1. **Corporate Affiliation:** Any relationship between two Entities that reflects, directly or indirectly, a partial or complete controlling interest or partial or complete common control.
2. **Contracting Affiliation:** Any relationship between the Provider Organization and another Provider or Provider Organization for the purposes of negotiating, representing, or otherwise acting to establish contracts for the payment of Health Care Services, including for payment rates, incentives, and operating terms, with a Carrier or Third-Party Administrator.
3. **Clinical Affiliations:** Any relationship between a Provider or Provider Organization and another Entity for the purpose of increasing the level of collaboration in the provision of Health Care Services, including, but not limited to, sharing of physician resources in hospital or other ambulatory settings, co-branding, expedited transfers to Advanced Care Settings, provision of inpatient consultation coverage or call coverage, enhanced electronic access and communication, co-located services, provision of capital for service site development, Joint Training Programs, video technology to increase access to expert resources and sharing of hospitalists or intensivists. The HPC further narrowed the definition of reportable Clinical Affiliations in the first year of the program.

JUNE 2016