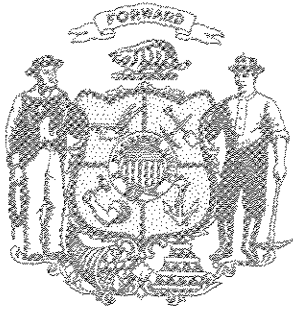


July 14, 2004

WISCONSIN
STATE
ASSEMBLY



SHELDON
WASSERMAN
STATE REPRESENTATIVE

Senator Carol Roessler and Representative Suzanne Jeskewitz
Co-chairs, Joint Committee on Audit
State Capitol, interdepartmental mail

Dear Senator ^{Carol}Roessler and Representative ^{Sue}Jeskewitz:

I am writing to request an audit of the Bureau of Health Information (BHI) within the Department of Health and Family Services, with a particular focus on the Physician Office Visit Data (POVD) program.

BHI tracks, gathers and produces reports on various health statistics, vital records and other health care information relative to Wisconsin citizens and the state's providers of health care. As you will recall, six years ago the legislature passed a bill to expand Wisconsin's data collection efforts to include information on physician office visits. BHI was designated to implement POVD collection, which is funded by program revenue. And more recently via the 2003-2004 budget bill, a private entity, the Wisconsin Hospital Association, was charged with collecting and reporting information on hospital and ambulatory and surgery data.

It is my understanding that the POVD program has employed as many as 8 full-time people and has spent over \$5 million since its inception. According to the program's website, "following a data quality assessment and improvement process, BHI will create public use data files, standard reports, custom data files and reports, and Web-based information products similar to those it produces from hospital inpatient discharge data and ambulatory surgery data. The first public release of data is projected to occur sometime in 2003." Yet to date, no data has been released.

I feel very strongly that an audit is warranted at this time. There are several prudent questions that need to be answered:

- 1.) How is the PR funding being spent and why are so many FTEs required to run the program? Has BHI funded other programs with POVD money and how did it spend money from the hospital data program? Is/was this consistent with Chapter 153.60(1), which requires all revenue to be used solely for Chapter 153 data collection programs?
- 2.) Have there been any questions or changes relating to Board on Health Care Information (BHCI) votes on the bureau's budget? Was there any review by DHFS budget staff of the budget prior to its submission to the board? Did DHFS ever ask for new technology that was rejected by BHCI? Were new positions requested and subsequently turned down by BHCI?

(continued next page)

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- 3.) It is interesting to note that the Wisconsin Hospital Association's similar data collection effort is up and running after less than a year, with fewer employees. What other private sector initiatives and additional government regulations have come along that are in effect duplicating what BHI does?
- 4.) What is the true cost to the health care providers that are required to submit data under the POVD program, both in infrastructure development (to transmit the data) and program fees? What efforts has BHI made to determine the needs of data consumers and maximize sales so as to minimize the assessment burden on providers?
- 5.) When the data is finally released, how can it be used given the privacy statutes? What specific oversight is in place to guarantee patient confidentiality and what is the legal basis for this? How does BHI ensure that data it releases is not re-released or is otherwise used inappropriately? How has the POVD program acknowledged the impact of HIPAA privacy regulations on its original goals?
- 6.) Advocates have consistently argued they want to be able to measure quality from POV data. How have the current methodology and expenses achieved those goals? What is the validity of the collected data (not just technical reliability)? What questions is the program attempting to answer for consumers? How are the data translated into useful information in order to help physicians improve? If there are no specific questions to be answered, how is an appropriate risk adjustment method selected?
- 7.) How were hospital data requests processed? What process was used to determine if the request could be legally accommodated? How many requests have been received? How many were denied? Why were they denied?
- 8.) How was the cost for fulfilling these data requests determined? Is there an invoicing system that can document the amount of staff time involved, the details of each data request, and the total charge for each? Has any data been given away?

In my opinion the POVD program has clearly not lived up to expectations. The questions posed above should have been answered long ago, and must be answered before the Legislature entertains any new government-run health care data programs. I believe the POVD program should be discontinued and any unused PR funds put into the general fund. At the very least it and BHI should be subjected to an independent audit.

Thank you for your time and consideration. I look forward to your response.

Sincerely,



Sheldon A. Wasserman, M.D.
State Representative
22nd District

SW.so