



# SENATE BILL No. 635

September 12, 1995, Introduced by Senators O'BRIEN, BYRUM, SHUGARS, SCHWARZ, BENNETT and HART and referred to the Committee on Health Policy and Senior Citizens.

A bill to amend Act No. 368 of the Public Acts of 1978, entitled as amended

"Public health code,"

as amended, being sections 333.1101 to 333.25211 of the Michigan Compiled Laws, by adding sections 2913, 2915, and 2917.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 368 of the Public Acts of 1978, as  
2 amended, being sections 333.1101 to 333.25211 of the Michigan  
3 Compiled Laws, is amended by adding sections 2913, 2915, and 2917  
4 to read as follows:

5 SEC. 2913. THE OBJECTIVES OF ESTABLISHING THE DATA BASE AND  
6 THE DATA PLANS APPROVED AND MADE EFFECTIVE UNDER SECTION 2909 ARE  
7 TO OBTAIN, PROCESS, ANALYZE, AND PUBLICLY DISSEMINATE STATEWIDE  
8 COMPARATIVE DATA, IN A CLEAR, USABLE, AND STANDARDIZED FORM,  
9 REGARDING THE COST, QUALITY, AND ORGANIZATION OF HEALTH CARE

1 SERVICES IN THIS STATE AND ON THE HEALTH STATUS OF THE STATE  
2 POPULATION AS A WHOLE AND BY GEOGRAPHIC, DEMOGRAPHIC, AND OTHER  
3 APPROPRIATE CATEGORIES. THE DATA BASE SHALL INCLUDE, BUT IS NOT  
4 LIMITED TO, CLINICAL AND FINANCIAL DATA TO PROVIDE THE MEANS TO  
5 EVALUATE HEALTH PROVIDERS AND HEALTH CARE PAYMENT AND BENEFIT  
6 PLANS ON A COMPARATIVE, PROVIDER-SPECIFIC, PLAN-SPECIFIC, AND  
7 TREATMENT-SPECIFIC BASIS. THE DATA SHALL BE SEVERITY-ADJUSTED  
8 AND RISK-ADJUSTED.

9 SEC. 2915. EACH DATA PLAN APPROVED AND MADE EFFECTIVE UNDER  
10 SECTION 2909 SHALL SPECIFY ALL OF THE FOLLOWING:

11 (A) DATA BASE CONTENT, INCLUDING, BUT NOT LIMITED TO, ALL OF  
12 THE FOLLOWING DATA ELEMENTS:

13 (i) CLINICAL AND FINANCIAL DETAIL, SPECIFIC AS TO DIAGNOSES,  
14 TREATMENTS OR PROCEDURES, AND PROVIDERS, INCLUDING PLAN PER-  
15 FORMANCE, HEALTH SETTINGS, AND PRACTITIONERS.

16 (ii) DATA RELATED TO THE ORGANIZATION OF HEALTH SERVICES.

17 (iii) DATA DESCRIBING THE HEALTH STATUS OF PATIENTS.

18 (iv) DATA CHARACTERIZING THE QUALITY OF HEALTH SERVICE  
19 OUTCOMES.

20 (v) STATISTICAL ADJUSTMENT, AS APPROPRIATE, OF ALL DATA ELE-  
21 MENTS ACCORDING TO THE HEALTH STATUS OF THE PATIENT.

22 (B) RELEASE OF DATA ANALYSES AND REPORTS PROMOTING ALL OF  
23 THE FOLLOWING:

24 (i) VALUE FOR ALL USERS OF THE DATA SYSTEM, INCLUDING CON-  
25 SUMERS, PLANNERS, POLICY MAKERS, PROVIDERS, PURCHASERS, AND  
26 RESEARCHERS.

1           (ii) CONTINUOUS IMPROVEMENTS IN QUALITY, APPROPRIATENESS,  
2 AND EFFICIENCY OF HEALTH SERVICE DELIVERY AND IN THE HEALTH  
3 STATUS OF THE RESIDENTS OF THIS STATE.

4           (iii) TIMELY AVAILABILITY OF INFORMATION THAT MEETS PRIORITY  
5 NEEDS OF THE USERS OF THE DATA BASE.

6           (C) APPROPRIATE RECOGNITION OF ADMINISTRATIVE CONSIDERATIONS  
7 INCLUDING, BUT NOT LIMITED TO, ALL OF THE FOLLOWING:

8           (i) IMPLEMENTATION OF EACH DATA PLAN PHASED IN BASED ON  
9 DETERMINATIONS OF PRIORITY NEEDS OF DATA USERS, VALUE OF DATA,  
10 AND DATA AVAILABILITY AND ACCESSIBILITY.

11          (ii) DATA COLLECTION IN A STANDARDIZED MANNER.

12          (iii) RELIANCE ON EXISTING DATA SETS, IN ORDER TO MINIMIZE  
13 DUPLICATION IN REPORTING DATA.

14          (iv) MINIMIZATION OF ADMINISTRATIVE COST AND BURDEN ON THOSE  
15 INITIALLY GENERATING AND THOSE DIRECTLY SUPPLYING DATA.

16          (v) PROMOTION OF THE USE OF ELECTRONIC INFORMATION TECHNOL-  
17 OGY AND UNIFORM CLAIMS PROCEDURES, INCLUDING DATA QUALITY  
18 ASSESSMENT.

19          (vi) PROTECTION OF PRIVACY AND CONFIDENTIALITY OF INDIVIDUAL  
20 PATIENT INFORMATION.

21          (vii) AVAILABILITY OF ADEQUATE RESOURCES TO COVER ALL INCRE-  
22 MENTAL COSTS RELATED TO INITIATION AND ONGOING OPERATION OF THE  
23 DATA BASE, WITHOUT REGARD TO WHO INCURS THE COSTS.

24          SEC. 2917. (1) THE DATA BASE SHALL INCLUDE, AT A MINIMUM,  
25 DATA FROM THE MICHIGAN INPATIENT DATA BASE OR COMPARABLE DATA,  
26 DATA FROM THE MEDICAID PROGRAM, DATA FROM UNIFORM CLAIM FORMS  
27 USED BY HOSPITALS TO SUBMIT BILLS AND, AS NEEDED TO EVALUATE

1 HEALTH CARE PAYMENT AND BENEFIT PLANS ON A COMPARATIVE BASIS,  
2 DATA FROM HEALTH MAINTENANCE ORGANIZATIONS LICENSED UNDER PART  
3 210, ALTERNATIVE HEALTH CARE DELIVERY AND FINANCING SYSTEMS  
4 LICENSED UNDER SECTION 21042, ORGANIZATIONS OFFERING PRUDENT PUR-  
5 CHASER ARRANGEMENTS UNDER THE PRUDENT PURCHASER ACT, INSURERS AS  
6 DEFINED UNDER SECTION 106 OF THE INSURANCE CODE OF 1956, BEING  
7 SECTION 500.106 OF THE MICHIGAN COMPILED LAWS, AND A HEALTH CARE  
8 CORPORATION INCORPORATED UNDER THE NONPROFIT HEALTH CARE CORPORA-  
9 TION REFORM ACT.

10 (2) DATA COLLECTED FOR THE DATA BASE SHALL BE COORDINATED TO  
11 THE EXTENT PERMITTED BY LAW WITH INFORMATION COLLECTED BY THE  
12 DEPARTMENT FOR MEDICAL RESEARCH PROJECTS AND AS OTHERWISE  
13 REQUIRED BY THE CODE AND WITH INFORMATION CONTAINED IN ALL OF THE  
14 FOLLOWING REGISTRIES AND REPORTS:

15 (A) THE CANCER REGISTRY ESTABLISHED UNDER SECTION 2169.

16 (B) THE SPINAL CORD INJURY AND TRAUMATIC BRAIN INJURY REGIS-  
17 TRY ESTABLISHED UNDER SECTION 5413.

18 (C) THE OCCUPATIONAL DISEASE OR HEALTH CONDITION REPORTS  
19 REQUIRED UNDER SECTION 5611.

20 (D) THE BIRTH DEFECTS REGISTRY ESTABLISHED UNDER SECTION  
21 5721.

22 Section 2. This amendatory act shall not take effect unless  
23 all of the following bills of the 88th Legislature are enacted  
24 into law:

25 (a) Senate Bill No. 637.

26

1 (b) Senate Bill No. 633.

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3 (c) Senate Bill No. 634.

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5 (d) Senate Bill No. 636.

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