



500 Summer St NE E20

Salem OR 97301

Voice: 503-947-2340

Fax: 503-947-2341

www.Oregon.Gov/OHA

www.health.oregon.gov

March 7, 2019

Senator Laurie Monnes Anderson
900 Court St. NE, S-211
Salem, OR 97301

Dear Chair Monnes Anderson,

The Oregon Health Authority is committed to working with free-standing ambulatory surgical centers (ASCs) and their association to keep fees charged to facilities for discharge data collection to the minimum possible amount.

Preliminary estimations for the cost of data collection for ASC discharge data is \$300,000 per year. If applied evenly to all 86 ASCs, this is a fee of about \$3,500 per facility, per year. In the past, data fees were applied on a per-discharge basis. This can result in a wide range of possible fees, with smaller ASCs paying less, and large high-volume ASCs paying more.

Data costs are a high-end estimation arrived at through informal phone conversations with a prominent health data vendor based on total facility counts and discharge volumes that are higher than current levels in Oregon. This figure is not finalized and does not include any allowance for offsetting revenue such as possible federal matching funds. The Authority has already proposed a path forward for working with the ambulatory surgical center association and would like to state that plan for the record.

First, the Authority would suspend current fee and data collection language for ambulatory surgery centers until both parties can come to a good faith agreement on fees.

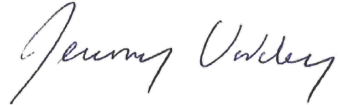
Next, we would seek permission to apply Medicaid federal matching funds to the cost of data collection. Under some circumstances, the Centers for Medicare and Medicaid Services (CMS) allows matching funds to be used for data collection that can be used to support Medicaid enterprise business practice or system evaluation. We would seek permission to using matching funds and use the matching funds to offset costs to ambulatory surgical centers.

The Authority would then commit to a formal request for application (RFA) process to get a better estimation of the fair market price of data collection and present that information to the association prior to future fee conversations. We would assess if there is any potential to combine data

collection effort with other states or other entities and if such an alliance would reduce costs to Oregon facilities.

Lastly, the Authority would continue to explore other sources of offsetting revenue, as allowed by federal law and statute that can work to reduce the costs of data collection by facilities.

Sincerely,

A handwritten signature in cursive script that reads "Jeremy Vandehey".

Jeremy Vandehey
Director of Health Policy & Analytics