FAIR Health Overview

September 14, 2023

FAIRHealth®

Know Your Source

National, independent nonprofit with the country's largest collection of private healthcare claims

A CMS Qualified Entity with entire Medicare collection

FAIR Health Mission

- FAIR Health is a national, independent 501(c)(3) nonprofit organization dedicated to bringing transparency to healthcare costs and health insurance information through data products, consumer resources and health systems research support

- FAIR Health provides fair and neutral information to all those we serve, including consumers, payors, providers, researchers, government entities and more

Neutral Crossroads

Academia & Research · Consultants · Government · Payors · Hospitals & Health Systems · Legal · FAIRHealth Know Your Source · Physicians, Dentists & Medical Societies · Consumers · Think Tanks · Employers · Technology · Life Sciences

The FAIR Health Private Claims Repository

42+
Billion

Medical and Dental Claims from 2002 to the Present
Updated on a monthly basis

2+
Billion

New Claims Every Year

493

Regions in the United States

Nationwide Coverage

70+ Contributors

Quality Testing and Control

Includes Medicare Advantage Claims

FAIR Health: Certified CMS Qualified Entity (QE)

Complete collection of Medicare Parts A, B and D claims data for all 50 states and Washington, DC

Entrusted with QE data due to national breadth of FH private claims/state-of-the-art security protections

Medicare data from 2013 to present

45+ billion Medicare claims

FH® Benchmarks Overview

FH Benchmarks	Description	FH® Charge Benchmarks	FH® Allowed Benchmarks
Medical	Arrayed by Current Procedural Terminology (CPT®) codes for evaluation and management (E&M), medical, surgical, radiology, laboratory and pathology procedures.	●	●
Dental	Arrayed by Current Dental Terminology (CDT®) codes for dental procedures.	●	●
Anesthesia	Arrayed by CPT, anesthesia and surgical procedure codes.	●	●
HCPCS	Arrayed by Level II Healthcare Common Procedure Coding System (HCPCS) codes and billed by a provider's office, durable medical equipment (DME) company or other entity that is not a facility, for products, supplies and services generally not included in CPT codes. HCPCS categories include ambulance services, physician-administered drugs, DMEs, prosthetics, orthotics and supplies.	●	●
Medical GapFill	Includes Category III CPT codes (temporary codes for emerging technologies, services, procedures and service paradigms), proprietary laboratory analyses (PLA) codes and multianalyte assays with algorithmic analyses (MAAA) administrative codes.	●	
Urgent Care	Arrayed by CPT and HCPCS codes at geozip, state, regional or national levels for services performed in an urgent care setting.	●	
Telehealth	Arrayed by CPT and HCPCS codes for services performed in a telehealth setting.	●	●
Inpatient Facility DRG	Arrayed by diagnosis-related group (DRG) codes for services performed in a hospital inpatient setting.	●	●
Inpatient Facility ICD Proc/Rev	Arrayed by International Classification of Diseases (ICD)-10 procedure codes associated with a set of values based on revenue codes.	●	●
Outpatient Facility	Arrayed by CPT codes for services performed in a hospital outpatient setting.	●	●
ASC Facility	Arrayed by CPT and HCPCS codes for ambulatory surgery center (ASC) facility-specific claims.	●	●
HCPCS Facility	Arrayed by Level II HCPCS codes for products, supplies and services billed by a facility and generally not included in CPT codes.	●	●
Medicare GapFill PLUS	Consolidates all professional CMS fee schedules into a single product and provides values for over 1,500 CPT and HCPCS codes not covered by CMS, using FAIR Health data and Medicare methodologies.		

FAIR**Health**®
Know Your Source | FH®

FAIR Health Data Use Cases

Operations & Strategic Planning

- Plan, Benefit and Provider Network Design
- Premium Rate Review
- ACO/Bundled Payment Modeling and Evaluation
- Budgeting
- Strategic Planning
- In-/Out-of-Network Fee Schedules
- Dispute Resolution
- Market Research
- HR Administration
- Customer Service
- Outmigration
- Referral Practices
- APCD Activity

Legislative/Regulatory/Policy

- Consumer Protection
- Quality Measures
- Legislative and Regulatory Action
- Medicaid Reform
- Reference Pricing
- Auto Liability Fee Schedules
- Workers' Compensation Fee Schedules
- Statutory Benchmark for State Programs
- Specialty Fee Schedules
- Medical Pricing Indices
- Healthcare System Trending Reports
- White Papers
- Ground and Air Ambulance Studies

Public Health & Research

- Cost/Utilization Analyses
- Population Health
- Longitudinal Outcomes
- Epidemiological Syndromic Surveillance
- Clinical Trials
- Treatment Protocols
- Public Health Interventions/Prevention Campaigns
- Medicaid Analytics
- Chronic Conditions
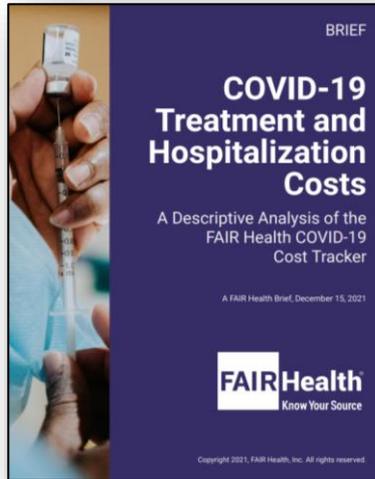- Comorbidities

Consumer Engagement & Professional Education

- Consumer Cost Transparency Tools
- Health Insurance Principles
- Employee Management of CDHPs and HSAs
- Open Enrollment Support
- Medical School Curricula
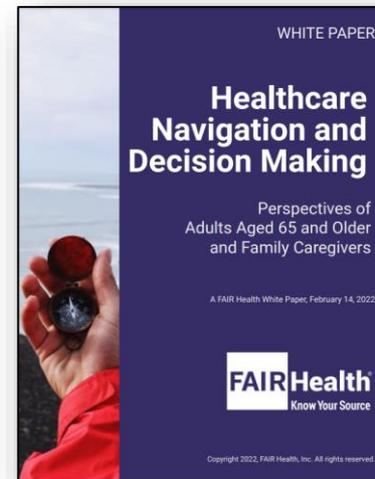- Professional Libraries/Practices
- Bilingual Content

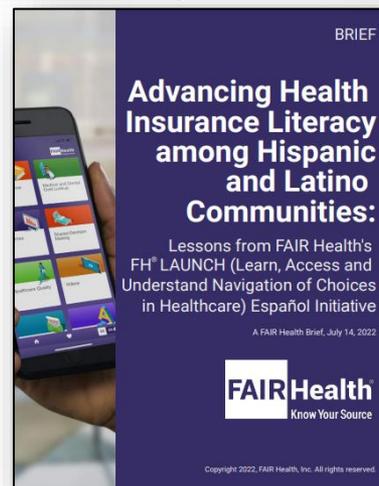# FAIR Health Studies: White Papers and Briefs
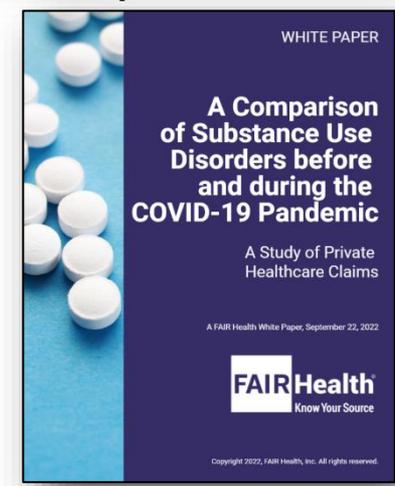

December 2021

February 2022

February 2022

July 2022

September 2022

Federal Agencies and Officials Seek Data and Educational Assistance from FAIR Health

Consumer Resources

State Legislation and Fee Schedule Support

FAIR Health Support for States
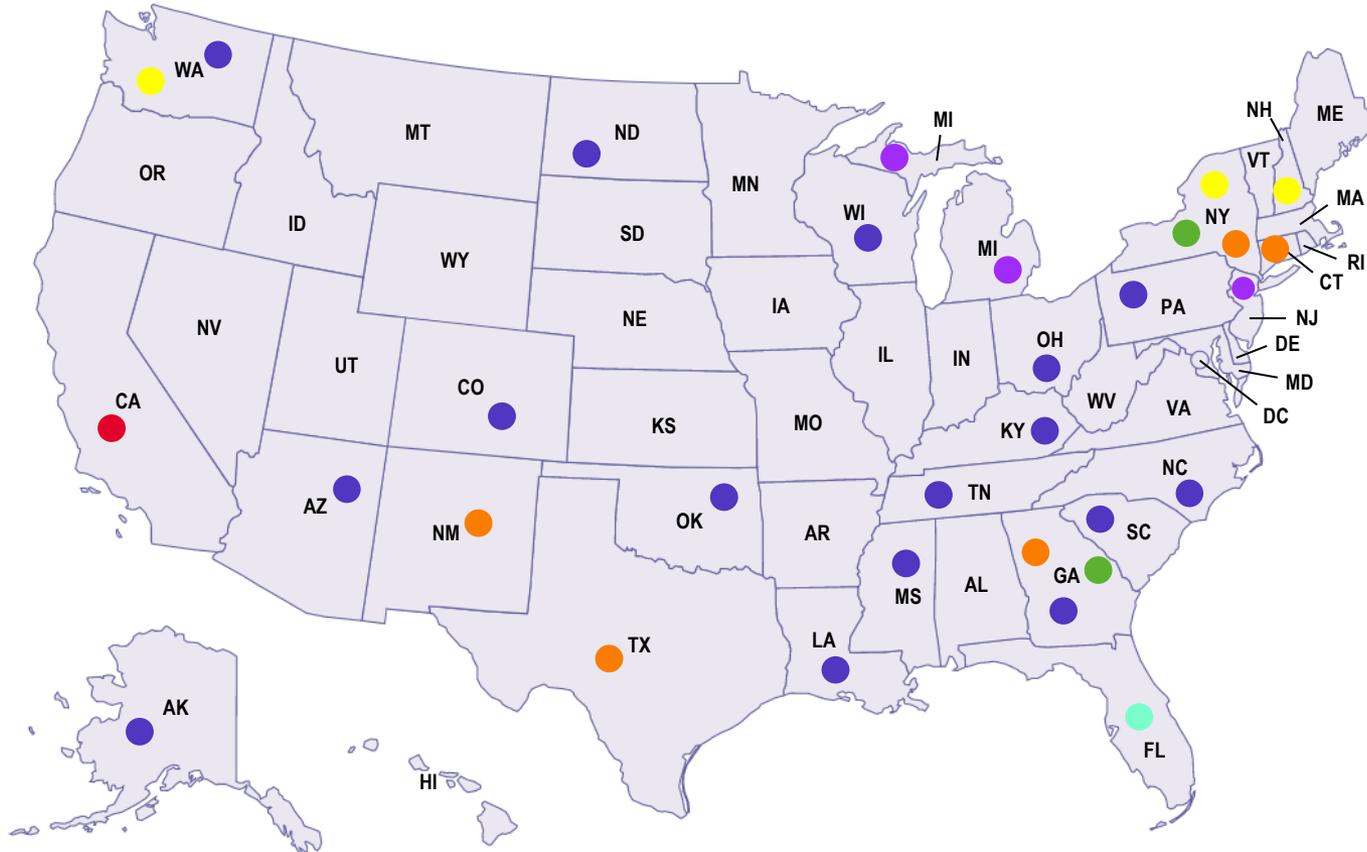
Legend

- 🔵 Workers' Compensation Fee Schedule Assistance, Research and/or Analysis
- 🟠 Surprise Billing
- 🟢 Crime Victims' Compensation Program
- 🟣 Auto Liability | Personal Injury Protection (PIP) Fee Schedule
- 🟢 Ground and Air Ambulance Rates State Study
- 🔴 Emergency Care for Low-Income Patients
- 🟡 Additional State Fee Schedules
  - **New Hampshire:** Vocational Rehabilitation Fee Schedule
  - **Washington State:** Two public health program fee schedules: the Breast, Cervical and Colon Health Program (BCCHP) and WISEWOMAN program
  - **New York:** Medical Indemnity Fund for birth-related neurological injuries

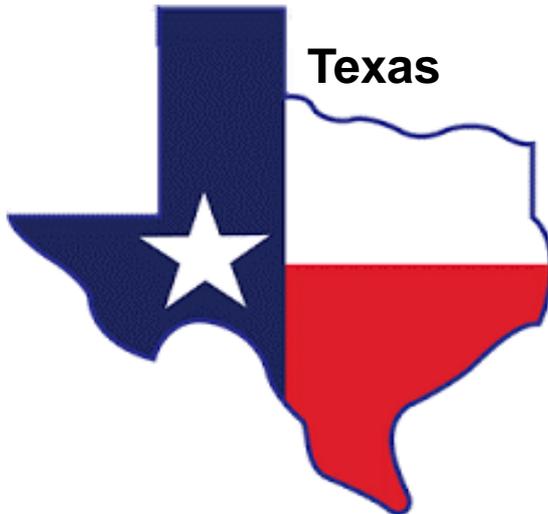# FAIR Health Selected as Official Benchmarks for Surprise Billing Legislation

Connecticut

Texas

New Mexico

Georgia

New York

Michigan No-Fault Reform
FAIR Health Support for MI DIFS

FAIR Health has been identified in Michigan Administrative Code Rule 500.205(c) as the data source to be used by Michigan DIFS to review payment determination appeals under Michigan's no-fault auto insurance reform legislation, Public Acts 21 and 22 of 2019.

- o The new no-fault insurance law generally provides for payment based on Medicare.

- o Where no Medicare value is available, the law allows for payment based on a provider's "charge description master" or the provider's average charge in effect on January 1, 2019.

- o Providers may appeal an insurer's payment determination to the Department under Rule 500.65.

- o In the context of an appeal where the provider is unable to supply a "charge description master" or an average charge in effect on January 1, 2019, the Administrative Rule requires the Department to "consult the FAIR Health benchmarking database…."

FAIR Health is providing MI DIFS with average or "mean" charge amounts for specified codes in all 12 Michigan geozips from FAIR Health's most recently published data that includes dates of service on January 1, 2019, for use in connection with these appeals.

- o The FAIR Health MI DIFS product is released once per year

- o MI DIFS applies CPI adjustments

What is a Fee Schedule?

- A rate table or formula that governs payable amounts under a program
  - Auto liability
  - Workers' compensation

- Provides the maximum amount that may be paid for a given service
  - May allow for exceptions under unusual circumstances

- Services are defined by procedure code
  - CPT codes for medical services
  - HCPCS codes for materials, supplies and equipment and certain other services
  - CDT codes for dental services

- Ideally fee schedules are accessible to all stakeholders and provide transparency and predictability

FAIRHealth
Know Your Source | FH

Benefits of a Fee Schedule

- Reflects the needs and particular characteristics of the relevant jurisdiction

- Is accessible to providers, insurers and other stakeholders

- Regularly updated to incorporate new procedures and changing coding practices

- Creates consensus among diverse stakeholders

- Reduces reimbursement disputes and administrative "static"

- Results in participation by providers to offer needed medical care to those injured in auto accidents

How FAIR Health Assists

- **Data Source**
  - Benchmarks – state level or regional communities
  - Provide or support state staff to perform analysis and develop a fee schedule

- **Analytic Support**
  - Comparative reviews: compare fee schedule to private claims data and Medicare fees
  - Utilization and trending
  - Focused Issue Review: e.g., drug testing, cost of implants, telehealth

- **Fee Schedule Gap Fill**
  - Valuing procedures not included in fee schedule

- **Fee Schedule Development**
  - Rate tables
  - Guidelines and ground rules
  - Creation of New Fee Schedules – e.g., Dental, ASC

- **Stakeholder Feedback Review and Presentations**
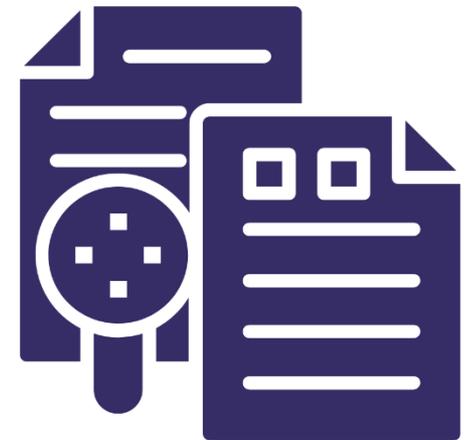
Fee Schedules: Updates and New Schedules

- Updating fee schedules
  - Review potential changes to be made for upcoming year
    - Incorporate code changes
    - Review issues for specialized focus
    - Opportunity for discussion and decision making
  - Update rates
    - Compare rates to prior year
    - Compare rates to Medicare and private insurance
    - Review conversion factors
    - Edit ground rules/guidelines
    - Assist with communication efforts

- New fee schedules
  - Present several options for rate tables
  - Support updating ground rules and guidelines
 - Help stakeholders understand clinical patterns and best practices

Serve as Data Source

- Benchmark data for state use
  - Geozip level
  - Custom communities
  - State level
  - Other geographic areas for comparative purposes
  - FAIR Health does not set UCR
    - States and other entities may use our data for this purpose
- Trending reports
  - Cost
  - Utilization
- Comparative analyses
- Address gaps in fee schedules
  - Source of data for gaps in fee schedules adhering to requisite geographic configurations
    - Scaled rates for use with Medicare fee schedules
    - Align with state conversion factors

Licensing and Contract Options

- FAIR Health is flexible in how we work with state entities
  - Data licensing – FH® Benchmarks
    - Internal analysis
    - Full-service fee schedule development
    - Gap fill (for services not valued by Medicare)
  - Fee Schedule development and maintenance
  - Analytics and planning
    - Stakeholder meetings
    - Policy/Legislative discussions
    - Work Group sessions
  - Fee schedule publication and distribution
    - Multiple formats
    - Download fee schedules for immediate access
    - Stakeholder licensing fees (if applicable)
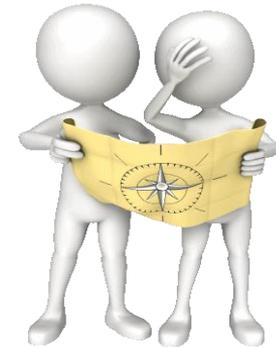
FAIR Health is a Trusted National Resource

- Conflict-free

- Uncompensated, diverse and expert board of directors

- Robust network of independent advisory committees

- Independent, unaffiliated with any stakeholder

- Largest private claims collection in the country

- CMS Qualified Entity

- Clinical, data and fee schedule expertise

- Flexible development and distribution models

- Codified in statutes; included in regulations; referenced in official memoranda

- Focused consultative, responsive service team

Questions?

For more information:

Donna Smith

Chief Client Officer
dsmith@fairhealth.org
Mobile: 281-513-0904

Chris O'Donnell

Executive Director,
Governmental Engagements
codonnell@fairhealth.org
Office: 212-257-2367
Mobile: 917-710-0646

Allison Schnieders

Deputy General Counsel
aschnieders@fairhealth.org
Office: 646-396-0793
Mobile: 646-342-5268