



will offset the county's early investment in this project, and

WHEREAS, in October 2006, the King County executive certified to the council by letter that the Puget Sound Health Alliance has been aggressively pursuing grant funding to offset the county's funding of its database and that if the Puget Sound Health Alliance receives funds specifically for its database, the King County executive would transmit to council a supplemental ordinance authorizing King County to accept these funds, and

WHEREAS, with support of the King County council for the first year funding of the Puget Sound Health Alliance's database in the amount of \$516,000, the Puget Sound Health Alliance in September 2006 entered into a three-year contract with Milliman, Inc., a Seattle-based actuary and consultant to King County, local Puget Sound health plans and the state of Washington Medicaid program, to purchase a license to an integrated regional health care database known as MedInsight, and

WHEREAS, this database will enable the Puget Sound Health Alliance to produce a comprehensive and credible report on health care provider quality and efficiency that is trusted by all stakeholders and the community, and

WHEREAS, the database includes medical and pharmacy claims data on residents of King, Pierce, Snohomish, Thurston and Kitsap counties, and

WHEREAS, the metropolitan King County council in approving the 2007 Budget Ordinance, Ordinance 15652, included one proviso that limits expenditure or encumbrance of year two funds in the amount of \$397,000 for the Puget Sound Health Alliance Database Project, until the council approves by motion a report that addresses issues related to the database project including how grant funds will offset the county's early investment in this project, and

WHEREAS, King County approved first and second year funding for the full cost of the Puget Sound Health Alliance's database license, and

WHEREAS, King County's first year funding for the Puget Sound Health Alliance's database license

funded the first year of the Puget Sound Health Alliance's contract with Milliman, Inc., for the time period of October 2006 to October 2007, and

WHEREAS, King County's second year funding for the Puget Sound Health Alliance's database license will fund the second year of the Puget Sound Health Alliance's contract with Milliman, Inc., for the time period of October 2007 to October 2008, and

WHEREAS, second year funding will enable the Puget Sound Health Alliance to produce for its members, including King County, the first region wide quality comparison report on health care provider groups in Fall 2007, and

WHEREAS, the first region wide quality comparison report on health care provider groups will be reported to the public by December 15, 2007, and

WHEREAS, second year funding of the Puget Sound Health Alliance's database project is a logical and prudent investment for King County, because the information from the database project provides the infrastructure and lays the groundwork for producing the region's first health care provider comparison reports that will promote health and improve quality and affordability by reducing overuse, underuse and misuse of health services, and

WHEREAS, King County's employee benefit program known as Healthy Incentives, includes a supply side strategy which relies on the Puget Sound Health Alliance's comparison report to enable King County to reduce the growth in its employee health benefit costs and to improve the quality of care provided to King County employees and their beneficiaries, and

WHEREAS, in 2008, the Puget Sound Health Alliance's comparison reports will assist King County in preparing for benefits negotiations with the Joint Labor Management Insurance Committee and for the procurement and contracting of the resulting benefit package, and

WHEREAS, in December 2007, when the initial comparison report is produced, the Puget Sound Health Alliance's comparison reports will assist King County employees and their families in making informed

decisions about where and from whom they choose to receive health care. King County will use the comparison reports to inform its employees about healthcare providers who most consistently provide effective and efficient care, and

WHEREAS, the Puget Sound Health Alliance has not as yet received grants or fees to offset King County's first year investment, and

WHEREAS, the King County executive will continue to work with the Puget Sound Health Alliance to secure grant funding to off-set the county's first and second year funding of the Puget Sound Health Alliance's database, and

WHEREAS, the attached report on the Puget SoundHealth Alliance Database Project fulfills the requirements of the 2007 Budget Ordinance, Ordinance 15652, Section 108, Proviso P1, including:

1. How grant funds will offset the county's investments in the project;
2. The amount the county has been reimbursed by the Puget Sound Health Alliance as a result of grant funds and analysis fees received by the Alliance;
3. How the project will be overseen by the county;
4. How the county will use the database to identify peer county and city public employers to compare King County employee benefit costs; and
5. What the year two deliverables and payment schedule are;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

The report entitled Report on the Puget Sound Health Alliance Database Project, Attachment A to this motion, is hereby approved.

The county encourages the Puget Sound Health Alliance to develop financially sustainable funding for its database. To assist the Puget Sound Health Alliance, the county intends to dedicate from the employee benefit fund appropriation in 2008 transitional third year funding for the Puget Sound Health Alliance database project which is estimated to be \$194,033. This amount of \$194,033 represents an estimate of the proportional

third year cost of the database license for King County residents in the database. Furthermore, it is the intent of the county that, except for annual dues provided

by the county, the council should not provide further funding for the Puget Sound Health Alliance for its database beyond 2008.