

Agenda III: Pricing Schedule

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Pricing Schedule – Previously Proposed

- Pricing schedule is based on market research and historical experience
- Pricing schedule for **Data Enclave** use is based on cost to the state, not value of the data
- Pricing schedule for **Direct Transmission** is based on (a) value of the data, (b) incentivizing data enclave use, and (c) providing funding contribution to ongoing program operations
- HCAI will need to monitor actual demand, but *rough* estimates are:
 - Up to 50 project requests per year
 - **Data Enclave** projects will be at least \$17,000 and up to \$25,000 per year
 - **Direct Transmission** projects can range from \$75,000 to \$200,000 or more (one-time fee)
- HCAI plans to charge a nominal (\$100) non-refundable application fee, which can be applied to the final data costs

Price Reduction – Previously Proposed

- HCAI will plan to have a minimum of \$600k available annually for **Data Enclave** price reductions
 - This amount may increase or decrease in the future, based on program funding
- **Data Enclave** price reductions will be granted on a first come, first served basis.
- At between \$17k and \$25k for a typical **Data Enclave** project, HCAI could fully subsidize between 24 and 35 projects annually.
 - A larger number of projects could be subsidized for partial pricing reductions.
- Any **Data Enclave** project can apply for consideration for a full price reduction but will need to provide sufficient justification for the full reduction and may be asked to provide additional supporting documentation.
- Proposed price reduction categories:
 - Financial Hardship
 - Data Innovation
 - High Priority Areas

Pricing Schedule Feedback

- A clearer approach that gives requestors a clear cost amount for their request
- Clarify definitions for students and academic fellows
- Pricing for collaboration between consumer groups, nonprofits and academic institutions
- Clear criteria for eligibility and reduction amounts
- First come, first serve reductions





Pricing Schedule Updates

- Planning to present proposed updates to the pricing schedule to the HPD Advisory Committee
- HCAI is working on a flatter enclave rate approach with less complexity for base project costs, and with add-on menu for additional licenses, software, storage, processing
- Regulations written for price reductions to be considered on a case-by-case basis
- Will discuss direct transmission price schedule with the Advisory Committee

Risk: Price reductions could dry up if not managed properly.



Comparison of Proposed HCAI Pricing

	 CENTERS FOR MEDICARE & MEDICAID SERVICES	 HEALTH CARE COST INSTITUTE	 Washington State Health Care Authority	 HCAI
Annual Cost	<p>\$15,000 - \$35,000 per project.</p> <p>+ \$20,000 - \$22,000 per user.</p>	<p>\$45,000 for a team of two. \$15,000 for a student.</p> <p>+\$10,000 each additional user.</p>	<p>\$100,000 for “Premium” \$60,000 for “Standard” \$40,000 for “Reduced”</p> <p>+\$5,000 for each additional user.</p>	<p>Previously proposed Price for data use in the Enclave:</p> <p>\$17,000 - \$25,000</p>
Tools	<p>SAS, Python, R, Microsoft Suite</p>	<p>SAS, Stata, Python</p>	<p>SQL Workbench, R-Studio</p>	<p>Python, SQL, R-Studio Microsoft Suite</p> <p>Additional cost for: SAS Visual Analytics, Stata MP, & Tableau Creator/Viewer</p>