Agenda III: Introduction & Overview of the HPD Program

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HPD Program – Legislative History

- AB 1810 (2018) charged HCAI with:
  - Convening a Review Committee of stakeholders and experts.
  - The Review Committee's recommendations were included in a report submitted to the California Legislature on March 9, 2020.
  - HCAI was allocated $60 million of seed money from the CA General Fund.

- AB 80 (2020) expanded AB 1810 by providing authority to:
  - Establish the HPD Program.
  - Collect data from mandatory submitters.
  - Establish an Advisory Committee and a Data Release Committee.

HPD Program Goals

1. Provide **public benefit** for Californians and the state **while protecting individual privacy**.

2. Increase **transparency** about health care costs, utilization, quality, and equity.

3. Inform **policy decisions** on topics including the provision of quality health care, improving public health, reducing disparities, advancing health coverage, reducing health care costs, and oversight of the health care system and health care companies.

4. Support the development of **approaches, services and programs** that deliver health care that is cost effective, responsive to the needs of Californians, and recognizes the diversity of California and the impacts of social determinants of health.

5. Support a **sustainable health care system** and more **equitable access** to affordable and quality health care for all.

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HPD System

- HPD System:
  - IT infrastructure needed to intake, standardize, process, validate, and make the HPD data available to support analysis and reporting.
- Information from the HPD System is intended to:
  - Support greater health care cost transparency.
  - Inform policy decisions regarding the provision of quality health care and to help reduce health care costs and disparities.
  - Be used to develop innovative approaches, services, and programs that have the potential to deliver health care that is both cost effective and responsive to the needs of all Californians.

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HPD Data

- The HPD System will rely primarily on administrative data - claims and encounters generated when a provider requests reimbursement for services delivered to insured patients.

- To maximize utility and value, the HPD System will be as comprehensive as possible and include information on medical, pharmacy, and dental services.

- Eventually, the HPD System will collect information about non-claims payments including capitation and alternative payment models (e.g., shared savings for accountable care organizations).

Data Files Collected by the HPD System

- Member Eligibility
  - Member Identifiers, Age, Gender, Location.
  - Payer/Health Plan Information, Assigned PCP, Enrollment in PCMH.

- Provider File
  - Provider Identifiers, Taxonomy/Specialty, Location.

- Medical Claims & Encounters
  - Primary and specialist care, outpatient surgeries, inpatient stays, laboratory testing.
  - Home health care and nursing home care.
  - Diagnoses, procedures, charged amount, paid amounts (plan and consumer paid amounts).

- Pharmacy Claims
  - Drug name, quantity dispensed, charged amount, paid amounts (plan and consumer paid amounts).
  - Provider and Pharmacy Information - name, specialty, location, mail-order.

- Dental Claims (collection expected to begin in 2024).

Mandatory, Voluntary, and Direct Data Submitters

Mandatory plans/submitters

- Licensed health plans/insurers with the Department of Managed Health Care (DMHC) or the California Department of Insurance (CDI) $\geq$ 40,000 covered lives.
- Public self-insured entities $\geq$ 40,000 covered lives.
- Qualified Health Plans offered by the California Health Benefit Exchange (Covered CA) for all members (exempt from threshold).

Voluntary plans/submitters

- Plans with fewer than 40,000 covered lives.
- Private, self-insured (ERISA) plans.

State & Federal

- California Department of Health Care Services (DHCS).
- Centers for Medicare & Medicaid Services (CMS) - Medicare Fee for Service.

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Data Not Collected by the HPD System

- Federal Employee Health Benefit Plans

- Indian Health Service, Veterans Administration, TRICARE

- Workers Compensation

- Uninsured or Self Pay

- Small Private Insurers (fewer than 40,000 members)

- Clinical data - EMR, EHR, HIE

- Survey data

Confidential and Sensitive Information

- Individually Identifiable Information:
  - The HPD System will collect Protected Health Information (PHI).

- Entity and Financial Information
  - Payer and Provider identifiers.
  - Detailed payment information, e.g., charges, allowed amounts, plan paid amounts, patient responsibility (copay, coinsurance, deductible).
  - FTC/DOJ Statement 6 provides guidance related to antitrust law.

- Substance Use Disorder & Treatment
  - SAMHSA 42 CFR Part 2 - may constrain what comes into the database and how it can be used.

HPD 2022-2023 Timeline and Key Deadlines