Agenda Item VI: HPD Status Report for the Legislature

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Requirement - Report to the Legislature

HSC 127673. Includes the following requirements:

...(k) (1) On or before <u>March 1, 2024</u>, the department shall submit a report to the Legislature that includes all of the following:

(A) Claims data reported by mandatory submitters.

(B) Claims data reported by voluntary submitters.

(C) Data on the covered lives reported, percentage of the population for which the department has data, the number of self-insured plans, providers and suppliers who have voluntarily submitted data, variation of completeness of data across geographic regions, such as the California Health Benefit Exchange's rating regions, the extent of data submitted on hospitals, physicians, and physician groups, the extent to which mandatory and voluntary submitters are submitting data specified in subdivision (b), frequency of submission of all core data, including claims, encounters, eligibility, and provider files, frequency of submission of nonclaims payment data files, and any other information that is available to determine if hospital and physician data are captured.

(D) A cost estimate if providers and suppliers become mandatory submitters.

(E) The number of data requests from qualified applicants and their data uses.

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Report Content

WHAT IS INCLUDED?   OPPORTUNITIES   DATA QUALITY   PUBLIC REPORTING & RELEASE

Status Report for the Legislature

- Due March 1, 2024
- Focused on the amount and quality of the data, including:
  - Submitters, including mandatory vs. voluntary
  - Types of data
  - Percent of covered lives
  - Extent of data submitted on hospitals, physicians, physician groups

Highlights of the Draft Report

- Successfully accomplished key goals for California's APCD
  - Established a new state program
  - With the [HPD Snapshot](#) release in June, met the requirement to "substantially complete" the state's APCD by July 2023
  - Included all planned data sources, types, and years
- Includes data for 82% of all Californians and 89% of insured Californians
- Data support a wide range of intended analyses
  - Comparisons to external data are encouraging
  - Data quality is consistent with reasonable expectations of administrative data; there are opportunities for improvement
- Increasing ERISA self-funded lives would make the data even more comprehensive

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Includes Data from all the Planned Sources

- All the Medi-Cal data

- All the Medicare FFS data

- All the mandatory health plans and insurers, for commercial and Medicare Advantage (>97% of covered lives in regulated plans)

Planned and Actual Covered Lives by Data Source, in Millions

SOURCE	2018	2019	2020	2021	2022
DHCS (Medi-Cal Managed Care)					
Planned	10.8	10.5	10.7	11.7	12.8
Actual	10.8	10.5	10.7	11.7	12.8
Percent (Actual/Planned)	99.9%	99.9%	99.9%	99.9%	99.9%
DHCS (Medi-Cal FFS)					
Planned	2.4	2.3	2.2	2.4	2.3
Actual	2.4	2.3	2.2	2.4	2.2
Percent (Actual/Planned)	99.8%	99.9%	100%	99.4%	98.3%

Notes:
- Planned lives based on HCAI analysis of payers and types of data specified in HSC Sections 127671-127674 (i.e., DHCS, CMS for Medicare FFS, and Commercial Plans and Insurers with more than 40,000 non-Medi-Cal members for commercial and Medicare Advantage). Note that enrollment data for the following programs are included in the HPD System but excluded from the figures above: California Children's Services; Family Planning, Access, Care, and Treatment; and the Genetically Handicapped Persons Program.
- Actual lives based on HCAI analysis of average monthly covered lives in the HPD System.

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Planned and Actual Covered Lives by Data Source, in Millions (continued)

SOURCE	2018	2019	2020	2021	2022
CMS (Medicare FFS)					
Planned	3.5	3.5	3.5	3.4	N/A
Actual	3.5	3.5	3.5	3.4	N/A
Percent (Actual/Planned)	100.0%	99.8%	100.0%	100.0%	N/A
California's Health Plans and Insurers					
Planned	16.5	16.7	16.9	16.7	16.8
Actual	16.5	16.5	16.8	16.8	17.0
Percent (Actual/Planned)	100.0%	98.9%	99.3%	100.8%	101.7%
Total (Unduplicated)	**31.5**	**31.3**	**31.6**	**32.4**	N/A

Notes:
- Data from California's Health Plans and insurers includes Medicare Advantage, excludes Medi-Cal.
- Planned lives based on HCAI analysis of payers and types of data specified in HSC Sections 127671-127674 (i.e., CMS for Medicare FFS and Commercial Plans and Insurers with more than 40,000 non-Medi-Cal members for commercial and Medicare Advantage). Actual lives based on HCAI analysis of average monthly covered lives in the HPD System.

Records by Month and Submitter Type (Medical)
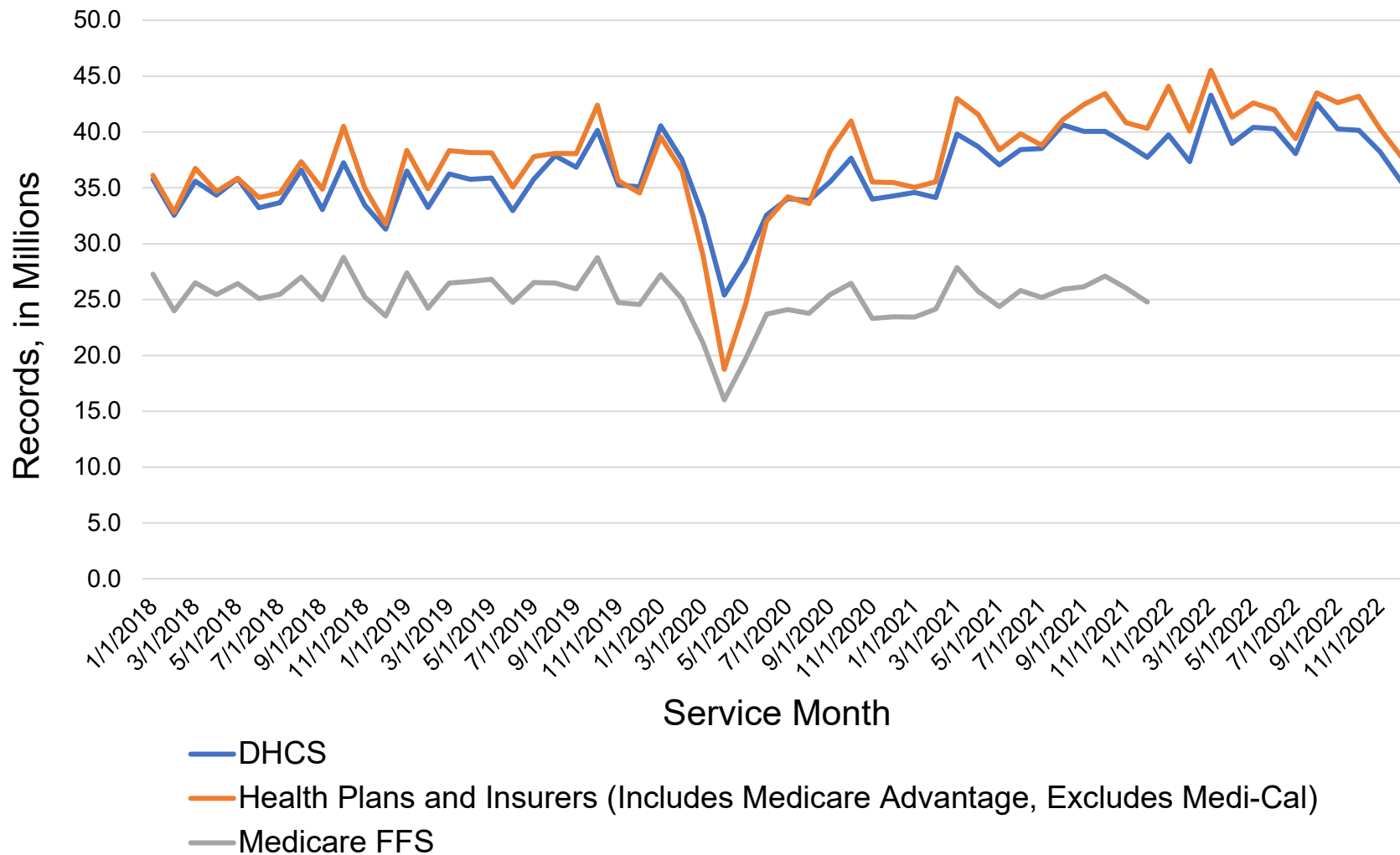
The HPD includes:
- 5.6B medical records (shown at left)
- 2.4B Rx records
- + eligibility records
- + provider data

from 36 submitters

Records, in Millions (y-axis: 0.0 to 50.0)

Service Month (x-axis: 1/1/2018 to 11/1/2022)

Legend:
- DHCS
- Health Plans and Insurers (Includes Medicare Advantage, Excludes Medi-Cal)
- Medicare FFS

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Index Allows Analysis of Overlapping Coverage

Distribution of Individuals by Type of Coverage, December 2021

COVERAGE TYPE	INDIVIDUALS	PERCENT
Medi-Cal Only	12,366,384	37.9%
Medicare Only	5,038,366	15.4%
Private Commercial Only (excludes Medicare Advantage and Medi-Cal)	12,233,086	37.5%
Medi-Cal & Private Commercial	847,177	2.6%
Medi-Cal & Medicare	1,600,319	4.9%
Medi-Cal & Private Commercial & Medicare	30,549	0.1%
Private Commercial & Medicare	534,355	1.6%
Total	32,650,236	100.0%

Medi-Cal 14,844,429

847,177

1,600,319

30,549

**Private Commercial** 13,645,167

534,355
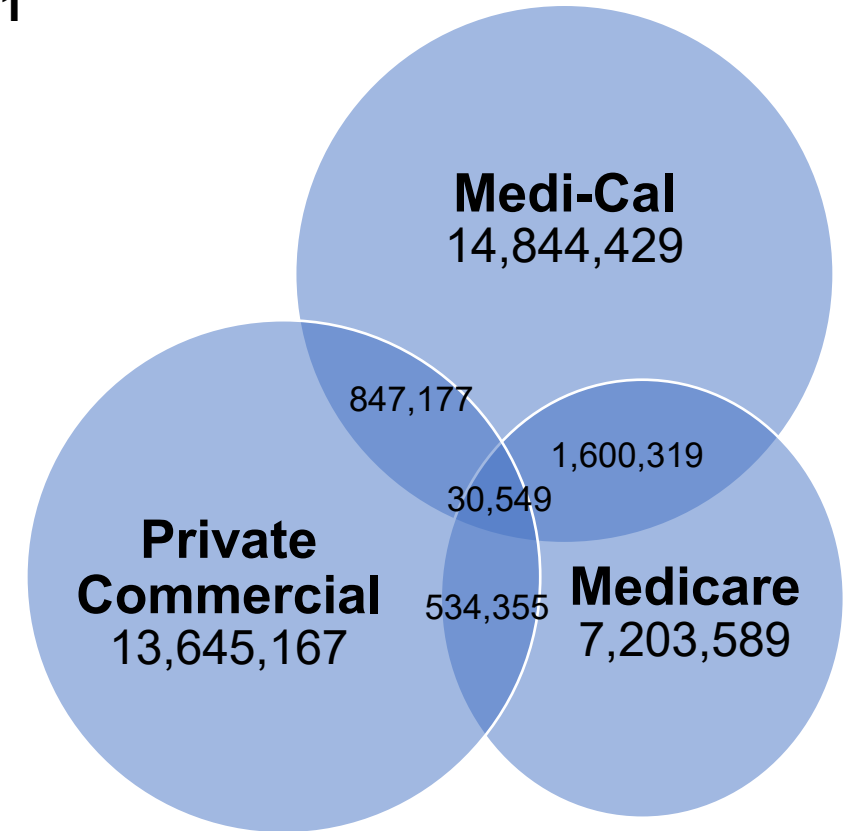
Medicare 7,203,589

Notes:
- Data in each of the circles of the Venn diagram represent total enrollment in those programs, including the overlap figures. For example, there were 7,203,589 Medicare members in December 2021, including 1,600,319 that were also in Medi-Cal and 30,549 that were covered by all three product types.

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The HPD System Includes 82% of Californians

POPULATION GROUP	NUMBER	%
Included in the HPD	32,376,087	82.4%
Not Included in the HPD (Estimated)		
Uninsured	2,749,344	7.0%
Other Public (e.g., Military, Federal Employees, Indian Health Service)	609,000	1.6%
Below 40,000 Threshold	365,428	0.9%
Additional ERISA Self-Funded	3,176,484	8.1%
Total Californians	39,276,343	100%

Percent of Californians, 2021

Pie chart:
- In HPD 82.4%
- Uninsured 7.0%
- Other Public 1.6%
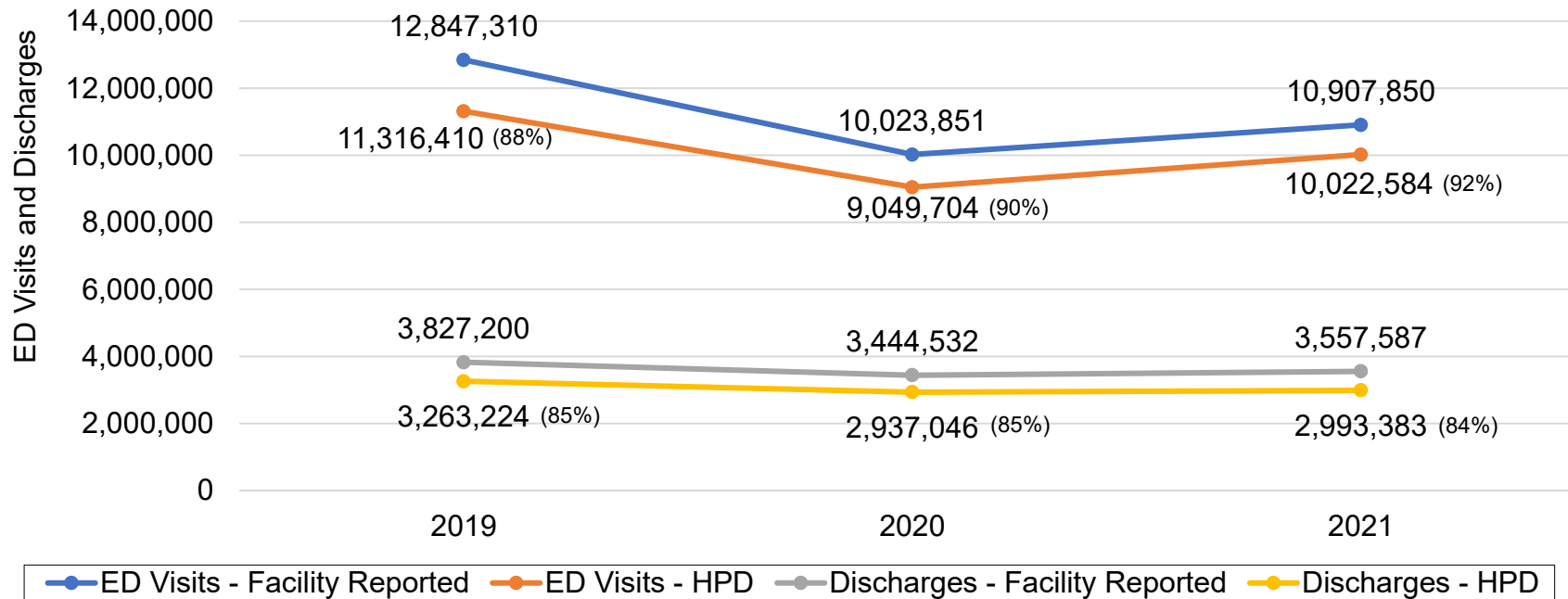- Below 40,000 Threshold 0.9%
- Additional ERISA Self-Funded 8.1%
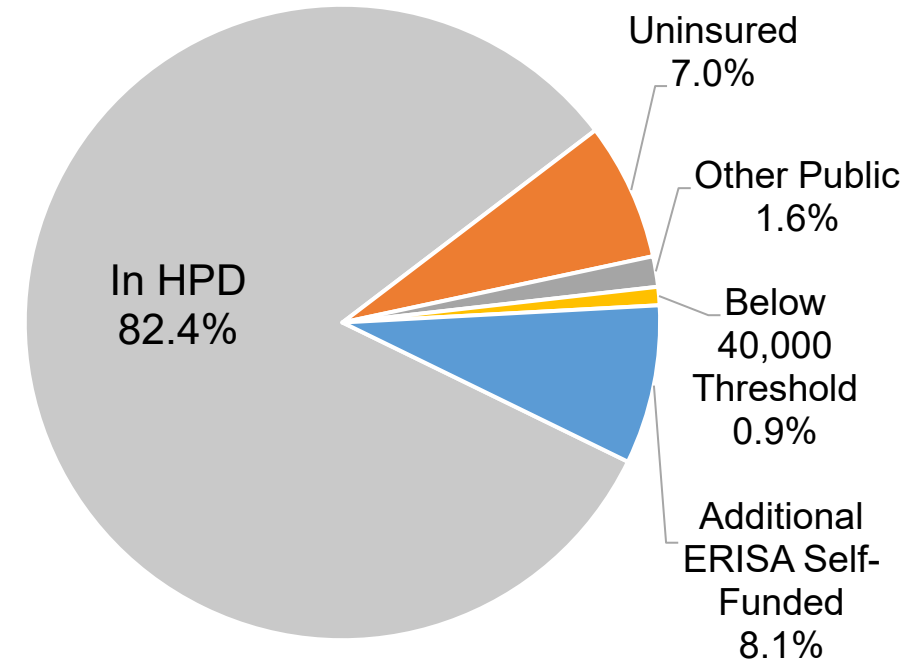
Notes:
- Number of Uninsured and Total Californians from US Census Bureau.
- Number in Other Public Programs from California Health Benefits Review Program, Estimates of Sources of Health Insurance in California,2021.
- Number below threshold based on HCAI analysis of covered lives reported in the California Health Care Foundation, California Health Insurers, Enrollment, 2023 Edition and HPD Program mandatory reporting thresholds. Includes regulated health plans and insurers only.
- Number in ERISA Self-Funded estimated from HCAI analysis and represents *additional* ERISA covered lives not already included in the HPD System. Derived by subtracting other categories from Total Californians. Note this may also include a small number of covered lives in public self-funded plans.

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HPD Includes 90% of ED Visits and 85% of Inpatient Discharges

Emergency Department (ED) Visits and Discharges in the HPD vs. Facility-Reported

ED Visits and Discharges

	2019	2020	2021
ED Visits - Facility Reported	12,847,310	10,023,851	10,907,850
ED Visits - HPD	11,316,410 (88%)	9,049,704 (90%)	10,022,584 (92%)
Discharges - Facility Reported	3,827,200	3,444,532	3,557,587
Discharges - HPD	3,263,224 (85%)	2,937,046 (85%)	2,993,383 (84%)

● ED Visits - Facility Reported ● ED Visits - HPD ● Discharges - Facility Reported ● Discharges - HPD

Similar to the % of the Covered Lives, the HPD includes:
- 88-92% of ED Visits
- 84-85% of discharges

Notes:
- ED Visits - Facility Reported from CalHHS, Hospital Emergency Department - Encounters by Facility
- Discharges - Facility Reported from CalHHS, Hospital Inpatient - Characteristics by Facility (Pivot Profile)

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ERISA Self-Funded Participation is Low

Estimate of Self-Funded Lives, in Millions

CATEGORY	2021	2022
State-Wide		
ERISA	4.3	4.5
Non-ERISA	1.2	1.2
Total, State-Wide	**5.5**	**5.8**
In HPD System		
ERISA	0.2	0.3
Percent of State-Wide ERISA	5%	7%
Non-ERISA	0.8	0.8
Total, HPD System	**1.0**	**1.1**

ERISA Self-Funded Plans cannot be mandated to submit but may do so voluntarily.

Based on a rough analysis of available data elements:
- The HPD includes 300 thousand (7%) of the 4.5 million ERISA self-funded lives state-wide
- These numbers are likely understated (see estimate of 3.2 million "Additional ERISA Self-Funded" on prior slide)
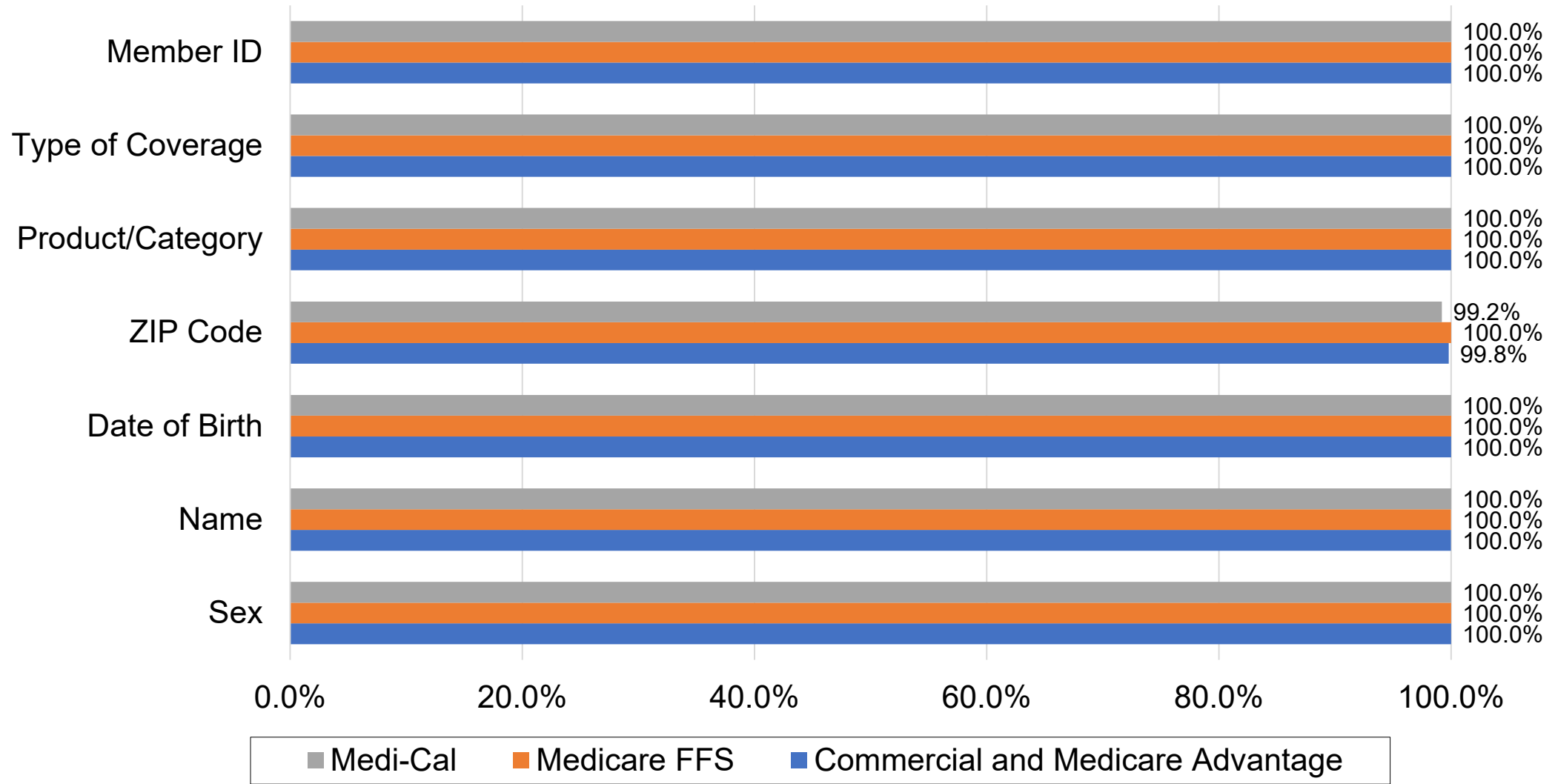
Notes:
- State-Wide totals based on DMHC and CDI data from California Health Care Foundation, California Health Insurers, Enrollment, 2023 Edition
- State-Wide ERISA and Non-ERISA estimated based on percent of Private Sector and Public Sector self-insured lives reported by the Department of Labor, 2021 Health Insurance Coverage Bulletin
- HPD System figures based on HCAI estimate, using eligibility records in December of each year with Coverage Type = ASW or ASO and an analysis of Plan and Group names
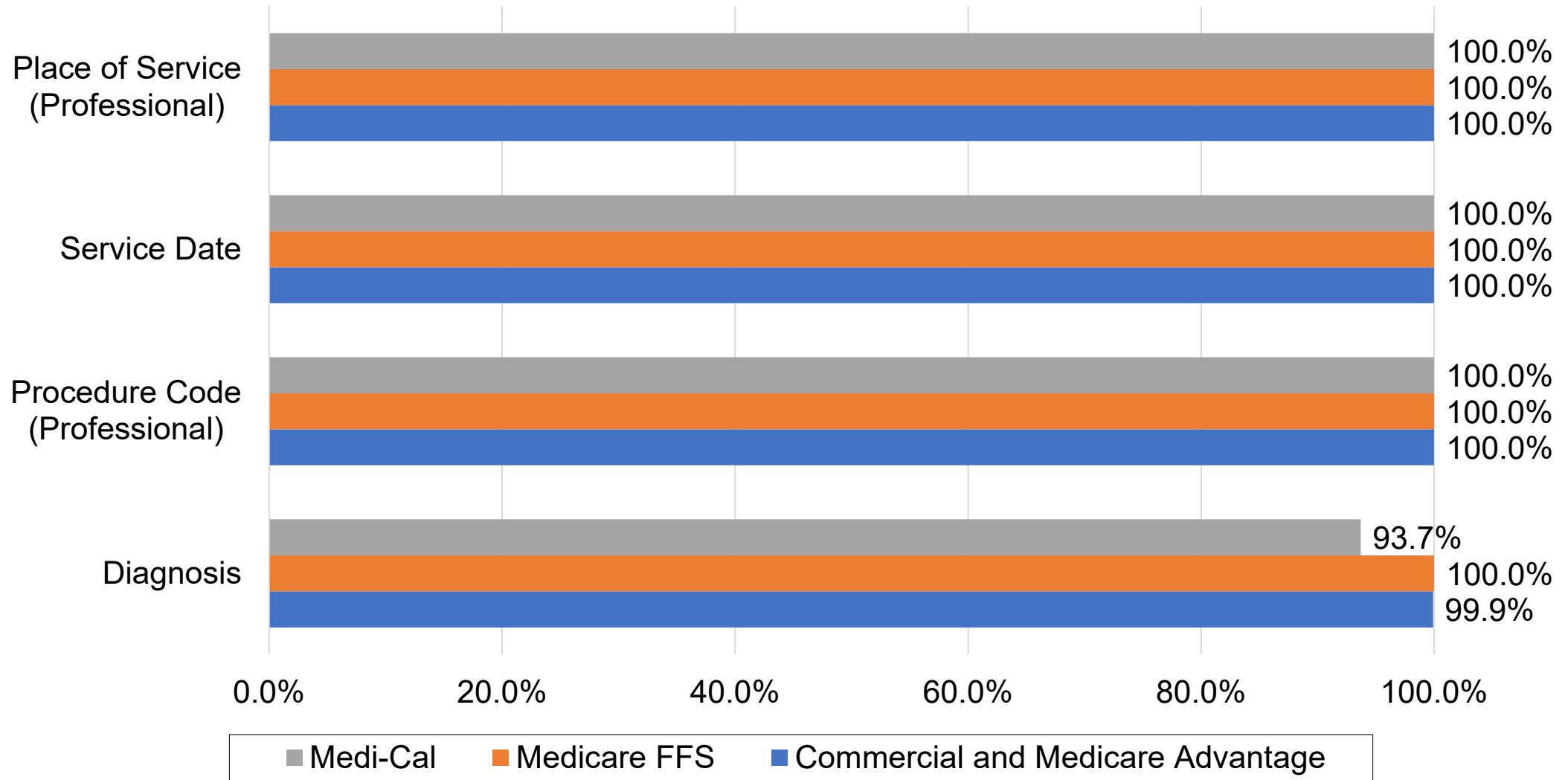
Data Quality (Data Element Completeness)

- Data quality in the HPD System is reflective of and consistent with administrative data used in healthcare operations
  - Processes help ensure the best available data makes it into the HPD System
  - Administrative data was not originally intended for research databases, but there's tremendous value in the detailed records of services and members
  - Quality is high for the key commonly used elements
    - Information about the patient needed for health care coverage operations
    - Types and location of services
    - Information about the specific services and illnesses, including diagnosis code, procedure code, and national drug code
  - Quality is lower and more variable for elements less frequently used for health care coverage operations
    - For example, race and ethnicity

Percent Complete for Selected Eligibility Elements, 2021

Element	Medi-Cal	Medicare FFS	Commercial and Medicare Advantage
Member ID	100.0%	100.0%	100.0%
Type of Coverage	100.0%	100.0%	100.0%
Product/Category	100.0%	100.0%	100.0%
ZIP Code	99.2%	100.0%	99.8%
Date of Birth	100.0%	100.0%	100.0%
Name	100.0%	100.0%	100.0%
Sex	100.0%	100.0%	100.0%

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Percent Complete for Selected Medical Elements, 2021

	Medi-Cal	Medicare FFS	Commercial and Medicare Advantage
Place of Service (Professional)	100.0%	100.0%	100.0%
Service Date	100.0%	100.0%	100.0%
Procedure Code (Professional)	100.0%	100.0%	100.0%
Diagnosis	93.7%	100.0%	99.9%

Legend: Medi-Cal, Medicare FFS, Commercial and Medicare Advantage

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Percent Complete for Selected Pharmacy Elements, 2021

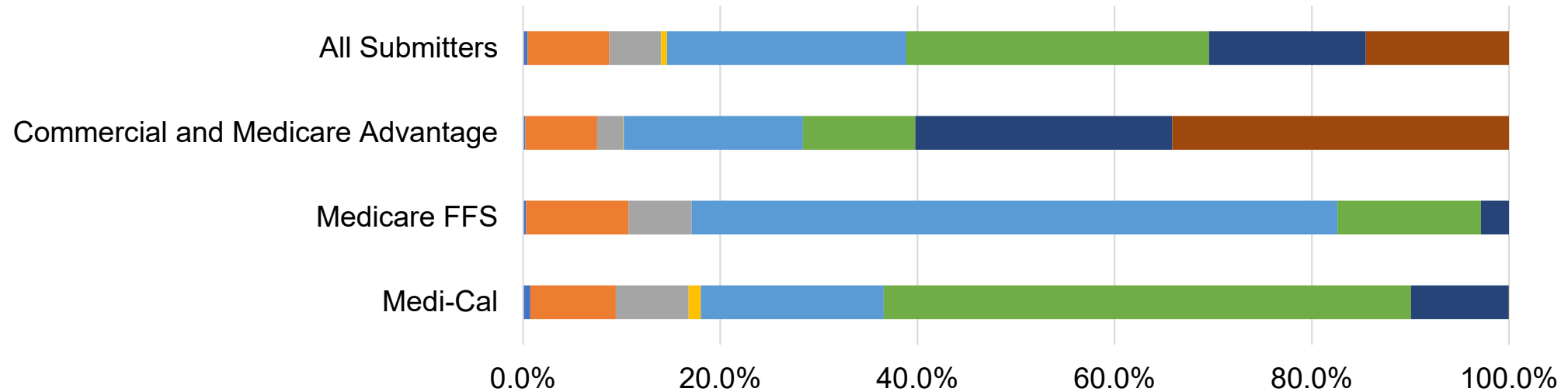| Element	Medi-Cal	Medicare FFS	Commercial and Medicare Advantage
Days Supply	98.4%	100.0%	96.3%
Date Prescription Filled	100.0%	100.0%	100.0%
National Drug Code	99.9%	100.0%	100.0%

Legend: ■ Medi-Cal ■ Medicare FFS ■ Commercial and Medicare Advantage
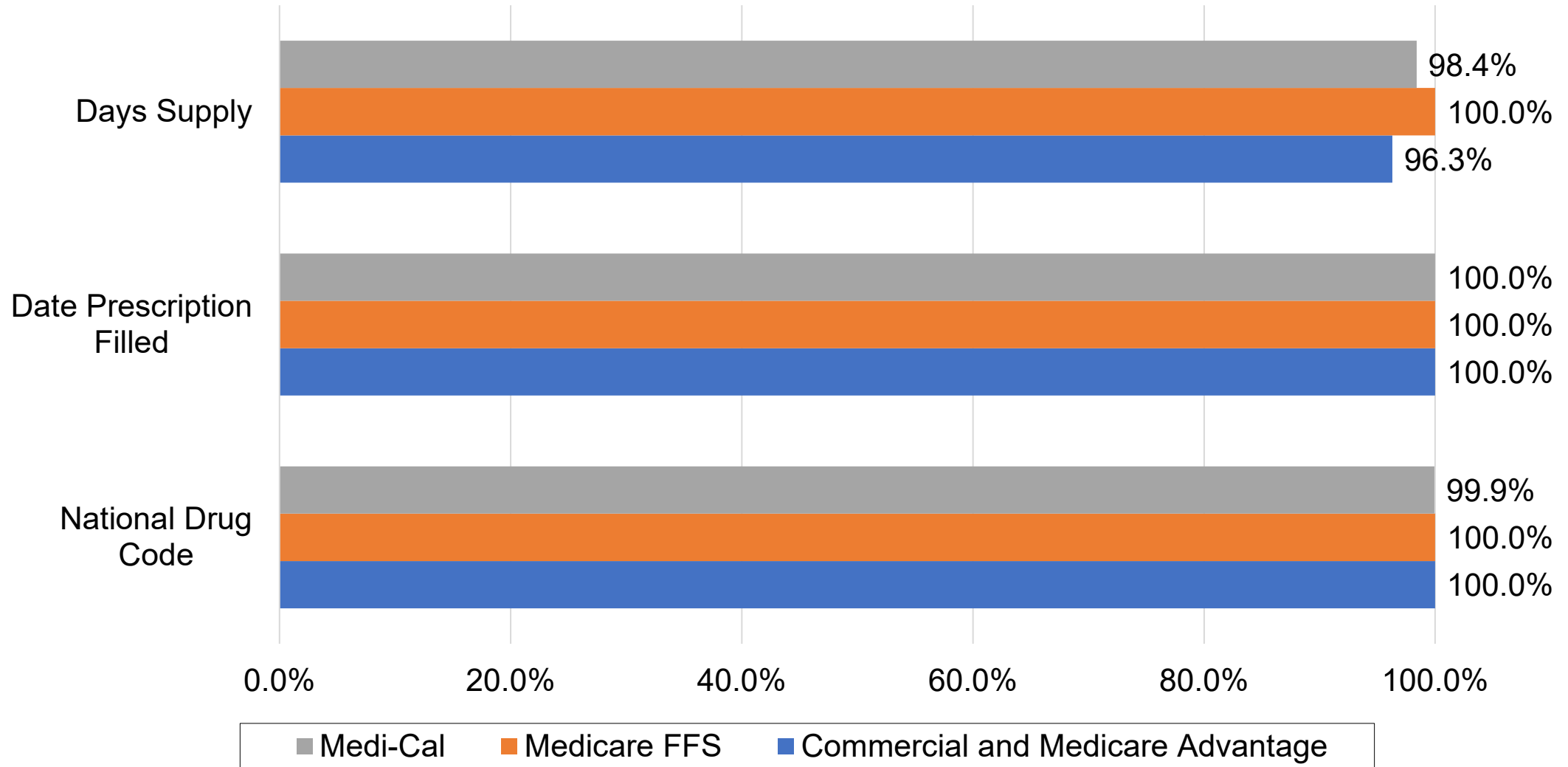
Percent Complete for Selected Medical Elements: Procedure Code Modifier and Additional Diagnosis Codes (2021)

Element	Medi-Cal	Medicare FFS	Commercial and Medicare Advantage
Procedure Code (Professional)	100.0%	100.0%	100.0%
Procedure Code Modifier 1	38.2%	37.3%	27.4%
Principal Diagnosis	93.7%	100.0%	99.9%
Diagnosis Other 1	56.1%	75.0%	56.0%
Diagnosis Other 2	36.4%	61.1%	38.8%
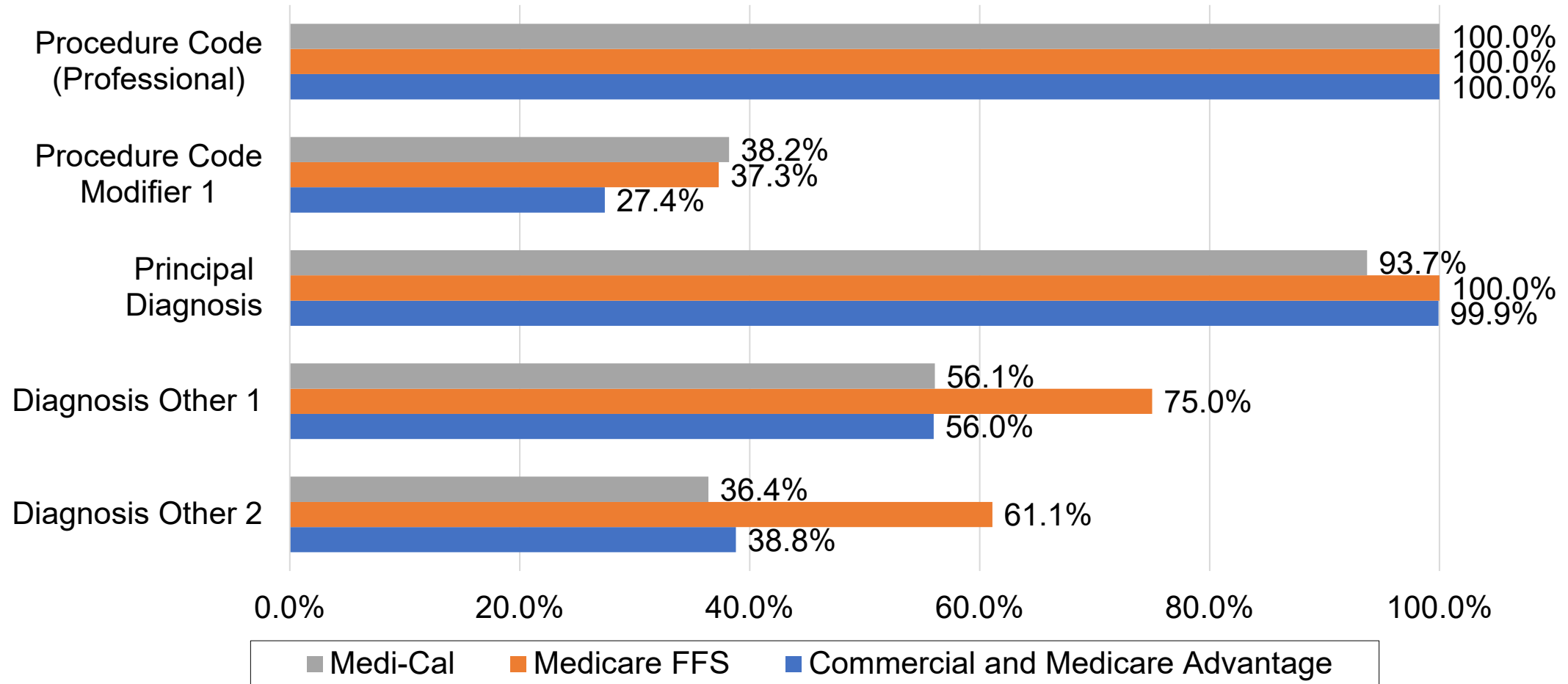
Note: Procedure Code Modifier and Other Diagnosis elements are considered situational and are not expected to be present on all services.

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Distribution of Race Values by Submitter Type (2021)

	Medi-Cal	Medicare FFS	Commercial and Medicare Advantage	All Submitters
■ American Indian/Alaska Native	0.7%	0.3%	0.2%	0.5%
■ Asian	8.7%	10.4%	7.3%	8.3%
■ Black/African American	7.4%	6.4%	2.7%	5.3%
■ Native Hawaiian/Other Pacific Islander	1.2%	0.0%	0.1%	0.6%
■ White	18.5%	65.5%	18.2%	24.3%
■ Other	53.5%	14.6%	11.4%	30.7%
■ Unknown/Not Specified	9.9%	2.8%	26.1%	15.9%
■ Missing	0.0%	0.0%	34.2%	14.5%

Note: Percentages based on percentage of eligibility records. Since one individual may have multiple eligibility records for different types of coverage, the percentages may not reflect the percent of the covered population.

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"Actionable" Race Values Reported by Commercial and Medicare Advantage Submitters, 2021

CATEGORY	# OF SUBMITTERS	% OF RECORDS
>90% Actionable Race Values	7	27%
50-89% Actionable Race Values	6	3%
25-49% Actionable Race Values	2	4%
10-24% Actionable Race Values	4	45%
<10% Actionable Race Values	17	20%

Note: "Actionable" values include values other than "Unknown/Not Specified" and "Missing"

> There's considerable variation in the completeness of Race reporting among submitters

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Status Report to Legislature: Summary

1. California's APCD was completed on time
2. The HPD System includes all the initially planned data types, sources, and time periods
3. The HPD System reflects approximately 82% of Californians and their healthcare services
4. Efforts to expand the HPD are already underway, including adding data from dental plans and insurers, capitation payments, and other non-claims payment data
5. Increasing voluntary data from private self-funded arrangements provides the biggest opportunity to increase the content and generalizability of the HPD

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Status Report to Legislature: Summary (continued)

6. Collecting data directly from providers and suppliers could prove useful but would add considerable cost and complexity to the operation of the HPD Program

7. Preliminary analyses of data quality indicate that the data quality in the HPD System is reflective of and consistent with administrative data used in healthcare operations, and there are opportunities for improvement, particularly for demographic data

8. HCAI's strong partnership with NAHDO and influence on national standards has greatly benefited the HPD Program

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Status Report to Legislature: Summary (continued)

9. HPD's public reporting and data release functions have been successful and continue to evolve

10. HCAI has previously made recommendations to state policymakers to fully fund the HPD Program long-term

Public Comment